SIMPSON COUNTY BOARD OF EDUCATION PROPOSAL

PREPARED FOR:

SIMPSON COUNTY BOARD OF EDUCATION
430 S COLLEGE ST
FRANKLIN, KY 42134

SUBMITTED BY:
FRANKLIN INSURANCE INC

PROVIDED BY:



Liberty Mutual®
INSURANCE

PROVIDED ON: 6/11/2022

PROPOSAL EXPIRATION DATE: 7/1/2022

Liberty Mutual Insurance is the marketing name for the property and casualty insurance operations of Liberty Mutual Insurance Company and its' affiliates, 175 Berkeley Street, Boston, MA 02116. Not all insurance coverages are available in all states and policy terms may vary based on individual state requirements. This proposal may include a policy from a Liberty Mutual nonadmitted surplus lines affiliate that is not licensed in your state. Surplus lines insurers generally do not participate in state guaranty funds and coverage may only be obtained through duly licensed surplus lines brokers.

Table of Contents

Account Team 4

Summary 5

Billing Estimate 6

Commercial Auto 7

- Premium Details 7
- Forms & Endorsements 8

General Liability 12

- Premium Details 12
- Forms & Endorsements 13

School Leaders Errors Omissions 18

- Premium Details 18
- Forms & Endorsements 19

Law Enforcement Liability 21

- Premium Details 21
- Forms & Endorsements 22

Property 24

- Premium Details 24
- Limits of Liability 25
- Standard Extensions 26
- Optional Extensions 27
- Equipment Breakdown 28
- CAT Coverages 29

Table of Contents

Endorsements 31

Deductibles & Waiting Period 32

Election Forms 34

Crime 35

Premium Details 35

Forms & Endorsements 36

The Liberty Mutual Advantage 37

Services 38

Terms & Conditions 40

Terrorism Insurance Premium Disclosure 45

Appendix

Account Team



Lori Steinbeck
Underwriter

513-965-4313
Email me

Responsible for account underwriting and a liaison for the Broker/Customer

- Account Pricing
- Business Coordination
- Policy Coverage
- Risk Evaluation/Loss and Hazard Analysis



Vannessa Jackson
Account Analyst

513-603-3389
Email me

Responsible for underwriting support

- Policy Change and Transaction Requests
- Signature Documents
- State Filing, Inquiries and Criticisms

Billing Estimate

Simpson County Board of Education

Pay Terms Offered*

Effective: 07/01/2022 to 07/01/2023

Line of Coverage	Pay Plan	Deposit Amount	Installment Amount	Grand Total
Commercial Auto	Annual 100%/0	$105,022.00	$0.00	$105,022.00
General Liability	Annual 100%/0	$30,508.00	$0.00	$30,508.00
School Leaders Errors Omissions	Annual 100%/0	$14,415.00	$0.00	$14,415.00
Law Enforcement Liability	Annual 100%/0	$727.00	$0.00	$727.00
Property	Annual 100%/0	$78,641.00	$0.00	$78,641.00
Crime	Annual 100%/0	$847.00	$0.00	$847.00
Umbrella	Annual 100%/0	$28,858.00	$0.00	$28,858.00
Total Amount		**$259,018.00**	**$0.00**	**$259,018.00**

*Billing will also be set up in your online portal. Please contact your Client Service Representative for access.

This is not your actual invoice. It is an estimate based on proposed exposures, coverages, and is subject to change when the actual invoice is mailed by Customer Accounting Services under separate cover. We are offering this estimate for your information and planning.

Customer will be billed for premium, taxes, assessments, and surcharges.

Mid-Term premium endorsements will be: **Bill Now - Outside Payment Plan**

Commercial Auto

Premium Details

Underwriting Company: **Liberty Mutual Fire Insurance Company**
Rating Plan: **Guaranteed Cost**
Named Insured: **Simpson County Board of Education**

Premium	
Estimated Premium	$105,022
Taxes, Assessments & Surcharges	$0
Michigan Catastrophic Claims Association (MCCA)	$0
Total Estimated Premium with Taxes, Assessments & Surcharges	**$105,022**

May be subject to audit.

Coverages	Symbols	Limits	Deductibles	Premium
Liability	01	$2,000,000	N/A	$75,059
Personal Injury Protection	05	N/A	N/A	$2,888
Added Personal Injury Protection	N/A	N/A	N/A	$1,710
Auto Medical Payments	N/A	N/A	N/A	N/A
Uninsured Motorist	02	$500,000	N/A	$1,265
Underinsured Motorist	02	$500,000	N/A	$9,442
Physical Damage				
Comprehensive	07, 08	Actual Cash Value or Cost of Repair	$1,000	$4,342
Collision	07, 08	Actual Cash Value or Cost of Repair	$1,000	$7,413
Towing and Labor	N/A	N/A	N/A	N/A
Hired Liability	N/A	$2,000,000	N/A	$463
Hired Physical Damage				
Comprehensive	N/A	N/A	$100	$95
Collision	N/A	N/A	$1,000	$95
Endorsements	N/A	Various	Various	$2,250

Commercial Auto

Forms & Endorsements

Form Name	Form Number	Fill-Ins
2016 Commercial Auto Miscellaneous Form Revisions Advisory Notice To Policyholders	CNA 90 15 11 16	
Alaska Exclusion of Terrorism Above Minimum Statutory Limits	CA 23 88 10 13	
Alaska Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism Above Minimum Statutory Limits	CA 23 89 10 13	
All Purpose Schedule	ACS 84 02 07 13	
Annual Meeting Notice	LIL 90 04 06 13	
Assault, Battery, Abuse or Molestation Exclusion	AC 20 01 11 16	
Business Auto Coverage Form	CA 00 01 10 13	
Business Auto Declarations	AC 00 03 02 13	
Business Auto Declarations Extension Schedule - Hired or Borrowed Autos and Nonowned Autos	ACS 00 03 11 11	
Changes In Your Policy	AC 00 30 10 13	
Changes in Item Two of the Declarations - Physical Damage Coverages	ACS 00 25 04 13	
Common Policy Conditions	IL 00 17 11 98	
Exclusion of Terrorism	CA 23 84 01 06	
Exclusion of Terrorism	CA 23 84 10 13	
Exclusion of Terrorism Above Minimum Statutory Limits	CA 23 86 01 06	
Exclusion of Terrorism Above Minimum Statutory Limits	CA 23 86 10 13	
Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism	CA 23 85 01 06	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Commercial Auto

Forms & Endorsements

Form Name	Form Number	Fill-Ins
Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism	CA 23 85 10 13	
Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism Above Minimum Statutory Limits	CA 23 87 01 06	
Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism Above Minimum Statutory Limits	CA 23 87 10 13	
Forms Inventory	ACS 00 26 04 13	
Insured Mailer Page	CNI 90 04 01 12	
Item 3 - Schedule of Covered Autos You Own	ACS 00 24 04 13	
Kentucky Anti-Theft Device Discount	SNA 16 01 05 11	
Kentucky Changes	CA 01 25 10 13	
Kentucky Changes-Cancellation and Nonrenewal	IL 02 63 09 08	
Kentucky Important Notice Concerning Uninsured Motorists, Underinsured Motorists And Personal Injury Protection Coverages	SNA 16 02 07 16	
Kentucky No-Fault Rejection Form	PIPKY020318	
Kentucky Personal Injury Protection	CA 22 16 10 13	
Kentucky Personal Injury Protection Amendatory Endorsement	AC 22 10 12 20	
Kentucky Standard School Bus Endorsement	SNA 16 04 12 20	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Commercial Auto

Forms & Endorsements

Form Name	Form Number	Fill-Ins
Kentucky Underinsured Motorists Coverage	AC 21 06 08 15	
Kentucky Uninsured Motorists Coverage	CA 21 76 10 13	
Liberty Mutual Group California Privacy Notice	SNI 04 01 12 20	
Named Individuals - Broadened Personal Injury Protection Coverage	CA 22 01 01 87	
Named Insured Endorsement	AC 84 13 01 11	**Named Insured**: Simpson County Board of Education
Nuclear Energy Liability Exclusion Endorsement (Broad)	IL 00 21 09 08	
Producer Mailer Page	CNI 90 05 01 12	
Public Entity Immunity And Tort Cap Preservation Endorsement	LIL 90 09 05 17	
Public Transportation Autos	CA 24 02 10 13	
Public or Livery Passenger Conveyance and On-Demand Delivery Services Exclusion	CA 23 45 11 16	
Replacement Cost Coverage - School Buses	AC 84 54 06 14	**Comprehensive Model Years Old**: 10 **Comprehensive Deductible**: 1,000 **Collision Model Years Old**: 10 **Collision Deductible**: 1,000
School Business Auto Extension Endorsement	AC 84 52 12 16	**Provision 18 per "loss" Comprehensive Coverage deductible**: $13.500
State Application of Terrorism Exclusion Endorsements	AC 84 27 08 15	
State Application of Terrorism Exclusion Endorsements Involving Nuclear, Biological Or Chemical Terrorism	AC 84 26 08 15	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Commercial Auto

Forms & Endorsements

Form Name	Form Number	Fill-Ins
Stated Amount Insurance	CA 99 28 10 13	
Stated Amount Schedule	ACS 99 12 07 13	
Temporary Substitute Auto - Physical Damage Insurance	AC 84 73 01 16	
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders	IL P 001 01 04	
Uninsured/Underinsured Motorists Insurance (UM/UIM) Schedule	ACS 21 02 04 13	
Washington Exclusion of Terrorism	CA 23 92 10 13	
Washington Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism	CA 23 93 10 13	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

General Liability

Premium Details

Underwriting Company: **LM Insurance Corporation**
Rating Plan: **Guaranteed Cost**
Named Insured: **Simpson County Board of Education**

Premium	
Estimated Coverage Premium	$15,909
Estimated Endorsement Premium	$14,132
Total Estimated Premium	$30,041
Terrorism Risk Insurance Act (TRIA) Premium	$467
Taxes, Assessments & Surcharges	$0
Total Estimated Premium with TRIA, Taxes, Assessments & Surcharges*	**$30,508**

*TRIA Premium, Taxes, Surcharges & Assessments are estimates and are subject to change based upon coverage changes, exposure changes, and/or written premium.
May be subject to audit.

Coverages	Limits of Liability
General Aggregate Limit	$2,000,000
Products/ Completed Operations Limit	$2,000,000
Personal and Advertising Injury Limit	$1,000,000
Each Occurrence Limit	$1,000,000
Damage to Premises Rented to You (or any premises)	$100,000
Medical Expense Limit (any one person)	$5,000
Employee Benefits Liability*	$1,000,000
Employee Benefits Aggregate*	$3,000,000

* Employee Benefits Liability Retroactive Date: 7/1/1995

General Liability

Forms & Endorsements

Additional Insured

Form Name	Form Number	Fill-Ins
Additional Insured - Managers Or Lessors Of Premises	CG 20 11 12 19	**Premises**: All Premises leased to you, where required by written contract or agreement entered into prior to loss. **Name**: All person(s) or organization(s) leasing premises to you, where required by written contract or agreement entered into prior to loss.

Common Policy Form

Form Name	Form Number	Fill-Ins
Common Policy Conditions	IL 00 17 11 98	
Inventory Coverage Forms/Parts, Endorsements, Enclosures	IC 00 42 07 09	
Kentucky Changes-Cancellation and Nonrenewal	IL 02 63 09 08	

Coverage

Form Name	Form Number	Fill-Ins
Commercial General Liability Coverage Form	CG 00 01 04 13	
Corporal Punishment	CG 22 67 10 93	
Cyber Suite Coverage Endorsement	LC 04 74 02 20	**Fill-In**: Cyber Suite Annual Aggregate Limit: First Party Annual Aggregate Limit: $100,000 Third Party Annual Aggregate Limit: $100,000 Cyber Suit Deductible Per Occurrence: $1,000 Data Compromise Response Expenses: Included Forensic IT Review Sublimit: $50,000 Legal Review Sublimit: $50,000 Public Relations Sublimit: $5,000

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

General Liability

Forms & Endorsements

Form Name	Form Number	Fill-Ins
		Regulatory Fines and Penalties Sublimit: $50,000 PCI Fines and Penalties Sublimit: $50,000 Computer Attack: Included Loss of Business Sublimit: $50,000 Public Relations Sublimit: $5,000 Cyber Extortion: Included Cyber Extortion Sublimit Per Occurrence: $10,000 Misdirected Payment Fraud: Included Misdirected Payment Fraud Sublimit Per Occurrence: $10,000 Computer Fraud: Included Computer Fraud Sublimit Per Occurrence: $10,000 Data Compromise Liability: Included Network Security Liability: Included Electronic Media Liability: Included
Employee Benefits Liability Coverage	CG 04 35 12 07	**Aggregate Limit**: $3,000,000 **Deductible**: 1000 **Limit**: $1,000,000 **Retroactive Date**: 07/01/1995
Non-Cumulation Of Liability (Same Occurrence)	LC 25 13 08 08	
Occurrence - Resulting Property Damage	LC 99 56 04 16	
Personal And Advertising Injury - Occurrence Redefined	LC 29 06 08 08	
Personal And Advertising Injury Redefined - Definition Of Publication	LC 29 04 08 08	
Premium Responsibility	LC 99 36 02 13	
Public Entity Immunity And Tort Cap Preservation Endorsement	LIL 90 09 05 17	
School Amendatory Endorsement	LC 99 44 07 18	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

General Liability

Forms & Endorsements

Form Name	Form Number	Fill-Ins
Sexual Misconduct Liability Coverage	LC 04 91 07 21	**Fill-In**: Sexual Misconduct Liability (Occurrence) Each Sexual Misconduct: $1,000,000 Aggregate Sexual Misconduct: $1,000,000 Sexual Misconduct Liability Deductible: $10,000
Violent Event Response Coverage For Schools	LC 04 78 02 20	**Fill-In**: Each Violent Event Limit - Response Expenses and Loss: $300,000 Aggregate Limit - Response Expense and Loss: $300,000 Each Person Limit - Loss: $25,000 Each Person Limit - Death Benefits: $15,000

Declaration

Form Name	Form Number	Fill-Ins
Commercial General Liability Declarations	LC 00 04 08 12	
Declarations Extension Schedule	LCS 00 02 05 12	
Declarations Extension Schedule - Classification Descriptions	LCS 00 01 05 12	
Declarations Extension Schedule - Miscellaneous Charges	LCS 00 03 05 12	

Notice to Policyholder

Form Name	Form Number	Fill-Ins
Kentucky Notice To Policyholders	EN 90 09 01 10	
Liberty Mutual Group California Privacy Notice	SNI 04 01 12 20	
Policyholder Disclosure Terrorism Risk Insurance Act	SNI 90 02 01 20	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

General Liability

Forms & Endorsements

Form Name	Form Number	Fill-Ins
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders	IL P 001 01 04	

Other Exclusion

Form Name	Form Number	Fill-Ins
Access Or Disclosure Of Confidential Or Personal Information With Limited Bodily Injury Exception	CG 21 06 05 14	
Asbestos Exclusion	LC 21 01 06 05	
Discrimination Exclusion	LC 21 04 06 05	
Employment - Related Practices Exclusion	CG 21 47 12 07	
Exclusion - Law Enforcement Professional Liability	LC 21 110 08 18	
Exclusion - Medical Payments - Day Care Centers	CG 22 40 01 96	
Exclusion - Silica (Schools)	LC 21 111 02 14	
Exclusion - Trampolines	LC 21 112 02 14	
Fungi or Bacteria Exclusion (Legionella Bacterium Excluded)	LC 21 91 09 12	
Lead Exclusion	LC 21 06 06 07	
Nuclear Energy Liability Exclusion Endorsement (Broad)	IL 00 21 09 08	
Pollution Exclusion - Exception For Classroom instruction Activities	LC 04 77 02 14	
Silica Exclusion	LC 21 02 06 05	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

General Liability

Forms & Endorsements

Policy Cover

Form Name	Form Number	Fill-Ins
Participating Provision	LIL 90 05 06 13	

TRIA Exclusions

Form Name	Form Number	Fill-Ins
Alaska Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism	CG 26 93 01 15	
Arkansas Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism	CG 26 86 01 15	
Cap On Losses From Certified Acts Of Terrorism	CG 21 70 01 15	
Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism	CG 21 76 01 15	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

School Leaders Errors Omissions

Premium Details

Underwriting Company: **Liberty Mutual Fire Insurance Company**
Rating Plan: **Guaranteed Cost**
Named Insured: **Simpson County Board of Education**

Coverages	Premium
School Leaders Errors & Omissions (SLEO) Premium	$14,272
Non-Monetary Relief Defense Coverage	Included
Terrorism Risk Insurance Act (TRIA) Premium	$143
Total Estimated Premium with TRIA, Taxes, Assessments & Surcharges*	**$14,415**

*TRIA Premium, Taxes, Surcharges & Assessments are estimates and are subject to change based upon coverage changes, exposure changes and/or final written premium.
May be subject to audit.

Coverages	Limits of Liability	Deductibles
Each Wrongful Act	$1,000,000	$10,000
Aggregate	$1,000,000	-
Non-Monetary Relief Defense Coverage	$100,000	$10,000

This insurance does not apply to "wrongful acts" committed prior to the **Retroactive Date: 07/01/1995. Claims-made Inception Date: 07/01/2016.**

School Leaders Errors Omissions

Form Name	Form Number	
Amendment of Other Insurance Condition	LC 24 33 02 14	
Annual Meeting Notice	LIL 90 04 06 13	
Cap On Losses From Certified Acts Of Terrorism	LC 21 128 05 17	
Common Policy Conditions	IL 00 17 11 98	
Declarations Extension Schedule	LCS 00 02 05 12	
Declarations Extension Schedule - Classification Descriptions	LCS 00 01 05 12	
Deductible Insurance - Non-Monetary Relief Claims	LC 03 50 02 20	
EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY	LC 21 174 12 21	
Exclusion - Eminent Domain, Inverse Condemnation, Adverse Possession	LC 21 113 02 14	
Exclusion - Law Enforcement Professional Liability	LC 21 115 08 18	
Exclusion - Recording And Distribution Of Material In Violation Of Law	LC 21 175 12 21	
Exclusion - Tax Assessment	LC 21 114 02 14	
Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism	LC 21 130 05 17	
Form Inventory	IC 00 42 07 09	
Insured Mailer Page	CNI 90 04 01 12	
Kentucky Changes - Cancellation and Nonrenewal	LC 32 650 02 20	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

School Leaders Errors Omissions

Form Name	Form Number	
Liberty Mutual Group California Privacy Notice	SNI 04 01 12 20	
Policyholder Disclosure Terrorism Risk Insurance Act	SNI 90 02 01 20	
Producer Mailer Page	CNI 90 05 01 12	
Public Entity Immunity And Tort Cap Preservation Endorsement	LIL 90 09 05 17	
School Leaders Errors and Omissions Liability Coverage Form	LC 00 12 02 20	
School Leaders Errors and Omissions Liability Declarations	LC 00 18 07 20	
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders	IL P 001 01 04	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Law Enforcement Liability

Premium Details

Underwriting Company: **Liberty Mutual Fire Insurance Company**
Rating Plan: **Guaranteed Cost**
Named Insured: **Simpson County Board of Education**

Coverages	Premiums
Law Enforcement / Security Guards Personal Liability Premium	$720
Non-Monetary Relief Defense Premium	Included
Terrorism Risk Insurance Act (TRIA) Premium	$7
Total Estimated Premium with TRIA, Taxes, Assessments & Surcharges*	**$727**

*TRIA Premium, Taxes, Surcharges & Assessments are estimates and are subject to change based upon coverage changes, exposure changes and/or final written premium.
May be subject to audit.

Coverages	Limits of Liability	Deductibles
Each Wrongful Act	$1,000,000	$2,500
Aggregate	$1,000,000	-
Non-Monetary Relief Defense Coverage	$100,000	N/A

The insurance does not apply to "wrongful acts" committed prior to the **Retroactive Date: 7/1/2012. Claims-made Inception Date: 7/1/2016.**

Law Enforcement Liability

Form Name	Form Number	
Annual Meeting Notice	LIL 90 04 06 13	
Cap On Losses From Certified Acts Of Terrorism	LC 21 128 05 17	
Common Policy Conditions	IL 00 17 11 98	
Declarations Extension Schedule	LCS 00 02 05 12	
Declarations Extension Schedule - Classification Descriptions	LCS 00 01 05 12	
EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY	LC 21 174 12 21	
Exclusion - Recording And Distribution Of Material In Violation Of Law	LC 21 175 12 21	
Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism	LC 21 130 05 17	
Exclusion of Terrorism	LC 21 125 02 14	
Form Inventory	IC 00 42 07 09	
Insured Mailer Page	CNI 90 04 01 12	
Kentucky Changes - Cancellation and Nonrenewal	LC 32 650 02 20	
Law Enforcement Professional Liability Coverage Form	LC 00 13 02 20	
Law Enforcement Professional Liability Declarations	LC 00 16 02 20	
Liberty Mutual Group California Privacy Notice	SNI 04 01 12 20	
Non-Monetary Relief Defense Coverage	LC 99 49 02 20	

Continued on next page...

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Law Enforcement Liability

Form Name	Form Number	
Policyholder Disclosure Terrorism Risk Insurance Act	SNI 90 02 01 20	
Producer Mailer Page	CNI 90 05 01 12	
Public Entity Immunity And Tort Cap Preservation Endorsement	LIL 90 09 05 17	
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders	IL P 001 01 04	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

Property

Premium Details

Underwriting Company: **Liberty Mutual Fire Insurance Company**
Rating Plan: **Not Applicable**
Named Insured: **Simpson County Board of Education**

Premium	
Policy Premium	
Excluding premium for "certified act(s) of terrorism" (TRIA)*	$76,858
"Certified act(s) of terrorism" (TRIA)*	$1,783
State or Municipal Taxes, Surcharges & Other	$0
Total Policy Premium	**$78,641**

The premiums shown for Surcharges, Assessments and Taxes are estimates only and are subject to adjustment. Final numbers will be reflected on the actual policy.

*Terrorism Risk Insurance Act

Total Insurable Values	
Real Property	$147,858,601
Personal Property	$14,872,021
Loss of Business Income/Rents	$0
Total Insurable Values	**$162,730,622**

A properly executed Loss of Income Worksheet must be received within 30 days of binding. Additional premium may be required at that time.

Property

Limits of Liability

Coverages	Limits of Liability*
Locations 1.1-9.1	
Blanket Real Property	$147,858,601
Blanket Personal Property (excluding Signs)	$14,872,021
Blanket Extra Expense	$5,000,000
Locations 1.1-2.7, 3.1-4.3, 4.5-5.1, 6.1-6.3, 7.1-8.12, 8.14-9.1	
Signs	$20,000

*Limits of Liability are in any one occurrence, unless otherwise stated

Property

Standard Extensions

Standard Extensions of Coverage

Form Name	Form #	Limit of Liability and/or Fill-in(s)*
Accounts Receivable	RM1002	$100,000
Arson Reward	RM1002	$25,000
Computer Virus and Denial of Access	RM1002	$25,000
Debris Removal Expense	RM1119	$5,000,000
Except for windblown debris	RM1002	$25,000
Deferred Payments	RM1002	$25,000
Duty to Defend	RM1002	Included
Extended Period of Restoration	RM1002	Sixty (60) consecutive days
Fire Department Charges	RM1002	Included
Fine Arts	RM1002	$100,000
Fungus Cleanup Expense	RM1002	Applicable limit of liability
Except if fungus results from a covered loss due to a peril insured against other than fire or lightning	RM1002	$250,000
Installation of Personal Property or Personal Property of Others	RM1002	$250,000
Lock and Key Replacement	RM1002	$25,000
Personal Property of Employees	RM1002	Included
Plants, Trees or Shrubs	RM1002	$100,000
Pollution Cleanup Expense from a specified peril	RM1002	Applicable Limit of Liability
Except, from a peril insured against other than a specified peril	RM1119	$50,000 Annual Aggregate
Except, from land, soil, surface or ground water; or for testing performed in the course of extracting the pollutants from covered locations	RM1119	$50,000 Annual Aggregate
Professional Fees	RM1119	$50,000
Removal	RM1002	Ninety (90) days

*Limits of Liability are per occurrence, unless otherwise stated

Property

Optional Extensions

Optional Extensions of Coverage

Form Name	Form #	Limits of Liability and/or Fill-in(s)*
Course of Construction	RM1002	$500,000
Demolition Cost, Increased Construction Cost and Operation of Building Laws	RM1002	
Demolition Cost	RM1002	$5,000,000
Increased Construction Cost	RM1002	Included in Demolition Cost
Operation of Building Laws	RM1002	Included in Demolition Cost
Errors and Omissions	RM1002	$250,000
Exhibitions, Expositions, Fairs or Trade Shows	RM1002	$50,000
Miscellaneous Locations	RM1002	$50,000 at each miscellaneous location
New Location(s)	RM1002	$1,000,000
	RM1002	One hundred eighty (180) consecutive days
Salespeople	RM1002	$50,000
Transit	RM1002	$100,000

*Limits of Liability are per occurrence, unless otherwise stated

Property

Equipment Breakdown

Equipment Breakdown Extensions of Coverage

Form Name	Form #	Limits of Liability and/or Fill-in(s)*
Equipment Breakdown Extensions of Coverage		
Expediting Expenses Coverage	RM1250	$250,000
Hazardous Substances Coverage	RM1250	$250,000
Perishable Goods Coverage	RM1250	$250,000
Data Restoration	RM1250	$250,000
Water Damage Coverage	RM1250	Included
CFC Refrigerants	RM1250	Included

*Limits of Liability are per occurrence, unless otherwise stated

Property

CAT Coverages

Form Name	Form #	Limits of Liability and/or Fill-in(s)*
Earth Movement Coverage	RM1106	$5,000,000 (Annual Aggregate)
Any covered property situated in or at any other location(s) not specified below:		$5,000,000 (Per Occurrence) $5,000,000 (Annual Aggregate)
At any location situated in or at the area(s) defined in this policy as:		
New Madrid		Excluded
Puget Sound		Excluded
At any location in the State(s) or Countries or at a location(s) specified below:		
Alaska		Excluded
California		Excluded
Hawaii		Excluded
Nevada		Excluded
Puerto Rico		Excluded
Earth Movement Excluded at:		
Form RM1002, Miscellaneous Locations		Excluded
Form RM1002, Exhibitions, Expositions, Fairs or Trade Shows		Excluded
Form RM1002, Course of Construction		Excluded
Form RM1002, Errors and Omissions		Excluded
Form RM1110, Interruption of Services Coverage Extension		Excluded
Form RM1002, New Locations		Excluded
Flood Coverage	RM1108	$1,000,000 (Annual Aggregate)
Any covered property at any other location(s) not specified below:		$1,000,000 (Per Occurrence) $1,000,000 (Annual Aggregate)
Flood Excluded at:		
1.1 430 S COLLEGE ST FRANKLIN KY 42134		Excluded
Form RM1002, Miscellaneous Locations		Excluded
Form RM1002, Exhibitions, Expositions, Fairs or Trade Shows		Excluded

Continued on next page...

Property

CAT Coverages

Form Name	Form #	Limits of Liability and/or Fill-in(s)*
Form RM1002, Course of Construction		Excluded
Form RM1002, Errors and Omissions		Excluded
Form RM1110, Interruption of Services Coverage Extension		Excluded
Form RM1002, New Locations		Excluded

*Limits of Liability are per occurrence, unless otherwise stated

Property

Endorsements

Form Name	Form #	Fill-in(s)*
Interruption of Service Coverage Extension	RM1110	$50,000
Overhead Transmission and Distribution Lines		Excluded
Payroll Expense Limitation or Exclusion	RM1113	Excluded
Additional First Tier Wind Counties and Independent Cities (The states of Virginia through and Including Maine)	RM1158	

*Limits of Liability are per occurrence, unless otherwise stated

Refer to Draft Policy for additional endorsements not shown

Property

Deductibles & Waiting Period

Policy

Coverages	Form #	Deductible Amount*
Policy Deductible**	RM1000	$10,000
Educational Institutions Endorsement - RM1196		$500
Signs		$500
Locations 1.1-2.7, 3.1-4.3, 4.5-5.1, 6.1-6.3, 7.1-8.12, 8.14-9.1		
Personal Property		$500
Mobile Equipment or Tools	RM1104	$500
Interruption of Service	RM1110	
Equipment Breakdown		Refer To Draft Policy
All Coverages Except Equipment Breakdown		$10,000

*Deductibles are per occurrence unless otherwise stated

**We will not pay unless a covered loss from any one occurrence exceeds the deductible amount shown. We will then pay for the excess, up to any other applicable limit of liability. Unless otherwise specified, if a covered loss involves two or more deductibles, we will use only the largest of the applicable deductibles.

CAT Coverages

Coverages	Form #	Deductible Amount*
Earth Movement Coverage	RM1106	10.00% of the total reported values on file with us for the covered property at the location(s) (including sub locations) when and where the loss occurred subject to a minimum deductible of $25,000
Flood Coverage	RM1108	$50,000
Wind Associated with a Named Storm	RM1115	
Harris County, TX and First tier wind Counties and Parishes (Tier 1 - NC-TX)		2.00% subject to $100,000 minimum
New York counties of Suffolk and Nassau		$50,000
Puerto Rico, Hawaiian Islands and Florida		5.00% subject to $250,000 minimum

Continued on next page...

Property

Deductibles & Waiting Period

Coverages	Form #	Deductible Amount*
Second tier wind Counties and Parishes (Tier 2 - NC-TX) and Additional First Tier Wind Counties and Independent Cities (Tier 1 - VA-ME)		$50,000

*Deductibles are per occurrence unless otherwise stated

Standard Extensions

Coverages	Form #	Deductible Amount*
Duty to Defend	RM1002	Included
Fire Department Charges	RM1002	Included
Fungus Cleanup Expense	RM1002	Applicable Deductible
Personal Property of Employees	RM1002	Included
Pollution Cleanup Expense from a specified peril	RM1002	Applicable Deductible

*Deductibles are per occurrence unless otherwise stated

Waiting Period

Coverages	Form #	Waiting Period(s)
Interruption of Service	RM1110	
All Coverages Except Equipment Breakdown		24 hours
Equipment Breakdown		24 hours
Other Waiting Periods		Refer to Draft Policy

Terrorism Coverage Election Form

Named Insured: **Simpson County Board of Education**
Policy Number: **YU2-Z51-293493-062**
Effective: **07/01/2022**

How the act affects your policy and what you must do

SELECTION OR REJECTION OF OPTIONAL TERRORISM INSURANCE COVERAGE

You have the option of purchasing coverage for losses resulting from "certified acts of terrorism." The premium for terrorism coverage is shown below. Coverage for losses from "certified acts of terrorism" is still subject to, and may be limited by, all other terms, conditions and exclusions contained in your policy.

If you reject this offer, you will not be covered for losses resulting from "certified acts of terrorism."

Please indicate on the Terrorism coverage election form shown below, whether you accept or reject this offer. If we do not receive a completed Terrorism Coverage Election Form from you, coverage for "certified acts of terrorism" will be excluded from your policy.

Please return the completed Terrorism Coverage Election Form to the Liberty Mutual Account Analyst listed in the insurance proposal.

Please indicate your election to accept or reject this offer below:

☐ I hereby elect to purchase coverage for "certified acts of terrorism" for the policy period for $1,783.

☐ I hereby reject this offer of coverage for the policy period. I understand that by rejecting this offer, I will have no coverage for losses arising from "certified acts of terrorism." Even if I decline coverage for "certified acts of terrorism," I acknowledge that some states require this policy to provide certain coverage for fire losses that result from an act of terrorism and the premium attributable to that required coverage cannot be rejected. As a result, if this policy provides coverage in any of those states, a rejection of this offer will not result in a reduction in premium by the full amount disclosed above.

Policyholder Acknowledgement

I hereby acknowledge that I have received notice of TRIA, the federal share of compensation for "certified acts of terrorism," the premium charge for losses covered by TRIA, and the Company's limit of liability should losses covered by TRIA exceed $100 billion

_____ _____

Policyholder/Applicant Signature Date

_____

Print Name

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your sales representative or agent.

Crime

Premium Details

Underwriting Company: **Employers Insurance Company of Wausau**
Rating Plan: **Guaranteed Cost**
Named Insured: **SIMPSON COUNTY BOARD OF EDUCATION**

Premium	
Estimated Premium	$847
Taxes, Assessments & Surcharges	$0
Total Estimated Premium with Taxes, Assessments & Surcharges	**$847**

Coverages	Limits of Insurance	Deductibles
Employee Theft - Per Loss	$250,000	$500
Government Faithful Performance of Duty	$250,000	N/A

Any other requested coverages not included will require further discussion prior to providing.

Crime

Form Name	Form Number	Fill-Ins
Reporting A Commercial Claim 24 Hours A Day	CNI 90 11 07 18	
Add Faithful Performance Of Duty Coverage For Government Employees	CR 25 19 08 13	
Annual Meeting Notice	LIL 90 04 06 13	
CommonPolicyDeclarations	IC0002 03 05	
Crime Declarations	EY DS 01 03 13	
Exclusion of Terrorism	EY 07 01 04 19	
Form Inventory	IC 00 42 07 09	
Government Crime Policy (Loss Sustained Form)	CR 00 27 08 13	
Insured Mailer Page	CNI 90 04 01 12	
Kentucky Changes	CR 02 32 10 10	
Kentucky Changes - Termination Of Employee	CR 02 53 10 10	
Kentucky Local Government Premium Tax Schedule	IC 00 43 12 08	
Kentucky Notice To Policyholders	EN 90 09 01 10	
Liberty Mutual Group California Privacy Notice	SNI 04 01 12 20	
Notice To Policyholders-Restriction Of Coverage	CNC 90 02 04 19	
Producer Mailer Page	CNI 90 05 01 12	
Property/Crime/Inland Marine Schedule	IC 00 40 07 15	

Note: Endorsement numbers listed above may be replaced with/or used in conjunction with State Specific endorsements. The forms listed on this proposal are not all inclusive of the forms that will be included in the published policy.

The Liberty Mutual Advantage

Experience the Liberty Mutual Difference.

Industries evolve. Market conditions shift. Risks change. That's why you need the stable partnership of a global leader with strength in every corner. When you work with Liberty Mutual you can expect industry-leading coverages delivered by a team that is empowered to provide a superior experience. With experts in underwriting, risk control, claims, and more, we harness innovation to address your concerns at each touch point. Look to Liberty if you value long-term partnership and want a carrier with the expertise and stability to adapt as your business changes.

The Liberty Mutual Advantage

Financial Strength
Working with a Fortune 100 company, you get the advantage of more: more industry-leading resources and deeper expertise in more areas, including outstanding access to quality care and powerful return-to-work strategies and risk control strategies.

Industry Expertise
With 100+ years in business, we have deeply earned experience in your industry. At every touch point – from how we underwrite to how we manage claims – we have the experience you need. It's our business to know your business. Our experts understand the challenges you face and are ready to help mitigate risk at every level.

A Superior Customer Service Experience
Work with engaged, responsive professionals, from onboarding to claims management. We collaborate constantly to ensure your program is designed and operating for optimal results. We back this with technologies that maximize agility and efficiency — plus the steadfastness of an established partner. Count on us to stay focused on you.

Industry-leading Claims Handling
Our specialized approach leads to better outcomes and a better overall experience. Superior claims experience enabled by unparalleled focus on exceptional people, innovation and harnessing data to put your business ahead.

Advanced Risk Control and Engineering*
We can help lower your total cost of risk by providing access to resources that can help you identify exposures and practical ways to mitigate them. You benefit from relevant insights and practical programs that address your areas of greatest loss, such as workplace injuries, product recalls, and property damage.

*Our risk control services are advisory only. We assume no responsibility for management or control of customer safety activities nor implementation of recommended corrective measures.

Services

Providing you with a great experience is important to us. Here are some of the services that you'll receive when you join us:

Services are based on the Lines of Business sold.

Account Management Services

- Designated Account Management Team
- Seamless onboarding to Liberty Mutual
    - Policy number assignment and signature documents
    - Claim intake procedures
    - Policy issuance
    - Quick action on state reporting and posting notices
    - Set up and training for Liberty Mutual's online portal and Risk Management Information System
- Facilitation/Navigation of a smooth claims experience by quickly addressing questions and resolving issues

Claims Services

- 24 Hour Emergency Claims Service Center
- 24 Hour Claim Reporting – Internet & Telephonic
- Claimant and Customer contact on Liability Bodily Injury claims in 1 day
- Injured Worker, Employer, and Medical Provider contact on WC Indemnity claims in 1 day
- Claims Acknowledgements
- Comprehensive Liability and/or Compensability Investigations
- Customer Specific Location Coding for WC
- Designated National Claims Service Teams
- Fraud Investigations and Handling
- Index Bureau Reporting
- On-line Medical Provider Referral Service
- Second Injury Fund Recovery for WC
- Notification of reserve changes equal to or exceeding $20,000
- Notification of settlements equal to or exceeding $20,000

Litigation Management Services

Liberty Mutual reserves the right to retain and direct legal counsel:
Liberty Mutual Staff Counsel or Managed Panel Counsel will be used unless otherwise directed by Liberty Mutual or agreed upon.

Services

Risk Control Services

On-demand Risk Control resources including:

- Risk Control Consulting Center
- Access to comprehensive safety and health resources through Liberty Mutual SafetyNet (an online destination for safety tools, training, and resources)

Technology Services

- Access to Liberty Mutual's online portal to include:
  - Account and billing information
  - Risk control services and medical providers
  - Reporting and tracking claim activity through Risktrac

- Access to Risktrac, Liberty Mutual's Risk Management Information System
  - View adjuster claim notes and monitor activity
  - Create watch lists to keep track of important claims
  - Set alerts to be notified of reserve and payment activity

Please speak with your Underwriter if additional services are needed.

Terms & Conditions

This proposal is valid for 60 days from the Date of Proposal or until the Effective Date (whichever is earlier) and is solely an estimate of premium, based on the information provided, and all amounts are subject to change. This proposal does not bind or provide actual coverage and is not an offer of insurance. Specific terms of coverage, exclusions, and limitations are contained solely in a completed insurance policy for which a premium has been paid.

This proposal may vary from your original request for coverage. Please review the proposal carefully for any variances. The terms, conditions and premiums included in this proposal contemplate the sale or renewal of all the quoted insurance lines. Electing to buy or renew only some of the lines of coverage may result in changes to the terms, conditions and premiums of the remaining insurance lines.

We are willing to provide only the coverage described by this document. This document is a proposal to provide coverage based solely on these specifications. We will not be bound or obligated by proposals, specifications, or requests prepared by any other party. Further, this coverage is not bound until expressly accepted, in writing, by a Liberty Mutual Insurance employee who is authorized to bind these coverages. Finally, this document is not a policy of insurance. Coverage will be determined by the terms and conditions of the policy or policies issued by us. This document was created and distributed to you solely for information purposes only. You must look to and rely upon the full terms and conditions of the policy to determine the nature and extent of coverage.

To learn more about Liberty Mutual's privacy policy, go to libertymutual.com/privacy

This proposal and any policy or contract that may be issued pursuant to this proposal, is based on the information you or your authorized representative provided regarding named and additional insureds. In the event that individuals, entities, vessels or countries that have a direct or indirect interest in the quoted insurance coverage are subject to U.S. or foreign financial sanctions laws, or appear on any domestic or foreign list of persons with whom we are prohibited from doing business or conferring financial benefit, Liberty Mutual Insurance reserves the right to amend this proposal or to withdraw it in its entirety; and, in the event a policy of insurance or a contract for other benefits is issued by us prior to or after learning that any subject persons or entities appear on the prohibited list, or otherwise are identified in connection with an economic sanctions program, Liberty Mutual Insurance reserves the right to declare any such issued policy or contract null, void and without legal or binding effect, such voiding to be effective from the otherwise effective date of such issued policy or contract and regardless of whether any circumstance has arisen, or there has been an occurrence since such issuance that would be material to the duties and responsibilities set forth in such policy or contract.

Terms & Conditions

Property: Offer of Coverage for Certified Acts of Terrorism

This proposal includes an offering for Terrorism Coverage for both Certified Acts of Terrorism (as defined by the Terrorism Risk Insurance Act) and Non-Certified Acts of Terrorism.

You can elect to:

- Accept coverage at the indicated premium as stated in this Proposal, or
- Elect to reject the offerings of Terrorism coverage as described.

If you elect to reject this coverage, then the exclusions for both Certified Acts of Terrorism (as defined by the Terrorism Risk Insurance Act) and Non-Certified Acts of Terrorism exclusion will apply, with the form specified below replaced by Form RM1143R1

Please refer to the Policyholder Disclosure Notice - NOTICE OF OFFER TO PURCHASE TERRORISM INSURANCE FOR POLICY PERIOD at the end of this proposal and return the completed Terrorism Coverage Election Form to the Liberty Mutual Account Analyst listed in the insurance proposal.

RM1144R1 CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Quote Stipulations

We reserve the right, but are not required, to inspect any location insured hereunder. This proposal is subject to favorable inspections and compliance with any recommendations made as a result of such inspections. We stress that inspections are not made for life safety, but for the sole purpose of our property underwriting. Not all hazards and conditions are evaluated. It is not to be inferred from our visits that all hazards are under control nor that the properties and operations are safe or healthful or are in compliance with laws, rules, or regulations.

We have provided a draft property policy to help you make an informed decision regarding your insurance needs, but it is for informational purposes only and is not a final policy of insurance. Your coverage will be determined only by the terms and conditions of a final policy and not by the linked draft policy.

A properly executed SOV and, if applicable, Loss of Income Worksheet must be received within 30 days of binding. Additional premium may be required at that time.

All policy coverages, terms, and conditions are subject to applicable State Amendatory Endorsements.

If the Named Insured's signature is required for any of the policies or coverages included in this proposal, they must be signed by the proposed Named Insured and returned to us by the effective date of the policy, or within 30 days of receipt, whichever is later. Failure to execute and return any required signature documents within the specified time frame may result in withdrawal of the proposed payment plan, or cancellation or rescission where allowed by law, and/or coverage changes and corresponding premium increase(s) required by law as a result of not having signed forms.

Terms & Conditions

Services

These services are provided during the effective period, unless otherwise specified. Services will convert to our standard claims and other services, except as otherwise agreed in writing or stated below, if:

1) all of the policies described, including any renewals and rewrites of those policies, are cancelled or non-renewed by you or by us,
2) losses are projected to exceed a rating plan maximum, or
3) you become insolvent or file for bankruptcy.

We may modify our standard services at any time without notice.

Claim Service Definitions

Notification: the formal act of alerting the customer/broker when a specific claim action is taking place. Specific actions can include but are not limited to Nurse Case Manager, Field Investigation, Surveillance, Third Party, Reserves and Settlement. No response from customer is required in order for Claims to proceed with their action plan.

Risk Control Services

Our risk control service is advisory only and does not include:

- Providing for the health and safety of your employees or the public
- Managing or controlling your safety activities or implementing recommended corrective measures
- Identifying all hazards
- Warranting that requirements of any federal, state, or local law, regulation, or ordinance have or have not been met.

Regulatory Service Requirements

After the effective date of this policy, we may be required to provide certain services (e.g., managed care) or to re-classify/re-code certain services - under the policy in accordance with filed rating and statistical plans. If this happens, we will align the charges with the filed rating and statistical plans (e.g., medical loss, indemnity loss, allocated loss adjustment expense, or unallocated loss adjustment expense).

Terms & Conditions

Risk Management Information Systems (RMIS)

You will have access to certain claims information ("DATA") from the electronic data processing files of the member companies of the Liberty Mutual Insurance. This DATA pertains to claims made against some of the insurance policies or claims service agreements issued to you by our member companies through the risk management information systems (collectively "RMIS").
Access to DATA or media is based on your ongoing acceptance of the terms and conditions listed on the portal used to access RMIS, as well as the following:

- We do not warrant that operation of the RMIS or the DATA provided will be error-free. We make no warranties, express or implied, and further, we DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- You understand and agree that the limit of our liability for any cause of action arising from, or related in any way to RMIS and/or DATA, is for direct damages only. We are not liable to you for any indirect, consequential, punitive, or special damages of any kind or nature.

To the extent that we provide DATA to you through RMIS and/or through any other means or media otherwise, the following terms shall apply:

a. We and you (the "Parties") shall comply with all laws and regulations governing the confidentiality, security, transmission, retransmission, copying, disclosure, and use of information pertaining to individuals, including but not limited to any medical information or non-public information as individually identifiable medical information and non-public, protected personal information of persons as defined in applicable law or regulation.

b. Access to RMIS is restricted to employees for whom the applicable subscription fees have been paid. You shall restrict access to RMIS and DATA to those employees who may lawfully access and use such information unless they agree otherwise in writing.

c. You shall instruct all employees accessing RMIS and DATA with regard to the obligations imposed under paragraphs a. and b. and ensure that your employees fully comply.
Each party agrees to defend, indemnify, and hold harmless the other party and its officers, directors, subsidiaries, affiliates, and employees from and against any third-party claims* that the party seeking indemnification may suffer or incur that arises out of:

- Any allegation that the other party's possession of or access to DATA violates any statute or regulation
- Any allegation that the other party's treatment or use of any DATA including, by way of example and not limitation, the transmission, retransmission, communication, or other publication of such DATA, was negligent, grossly negligent or intentionally improper
- The other party's breach of any representation or other obligation arising under this agreement with regard to DATA or RMIS

*Claims collectively refers to losses, damages, suits, fees, judgments, costs, and expenses, including reasonable attorneys' fees, made by the directors, officers, and employees of the party responsible for indemnification.

Terms & Conditions

The party seeking indemnification will:

- Promptly let the other party know in writing of any claim for which it is seeking indemnification
- Forward to the other party all documents in its possession related to the matter

Failure to provide prompt notice of a claim for indemnification will not prevent the party's claim for indemnification unless the other party is negatively impacted.

With regard to DATA and RMIS provided according to this section, your obligations and ours will survive indefinitely regardless of the termination of our partnership, any insurance policy, this or any other agreement between the parties.

Broker/Third-Party Access

If you want to extend access to RMIS and/or DATA to your broker/consultant or any third party, they must enter into a separate agreement with us that includes the terms and conditions of such access

New Mexico Limitation Of Uninsured/Underinsured Motorist Coverage

On October 4, 2021, the New Mexico Supreme Court issued an opinion titled Crutcher v., Liberty Mutual Insurance Company et al (No. S-1-SC-37478). As a result of the Court's decision, we are required to provide the following clarification of the limitation of Uninsured/Underinsured Mototrist Coverage (UM/UIM). In the event of a loss from a motor vehicle accident in which the total reimbursement you receive from the other parties' insurance policies is equal to or in excess of your UM/UIM limit, you may not have any UIM coverage available to you.

An Underinsured Motorist is NOT simply a motorist who does not have sufficient insurance coverage to pay for all of your injuries and/or damages. Rather, an Underinsured Motorist is an operator of a motor vehicle for which the sum of the Limits Of Liability under all bodily injury liability insurance applicable at the time of the accident is less than the Limits Of Liability under all Uninsured/Underinsured Motorist Coverage applicable to you. This means that if you have the same amount of Underinsured Motorist Coverage that an at fault driver carries in liability limits, you may not have any Underinsured Motorist Coverage available to you. For example, if you receive $25,000 in liability bodily injury benefits from an at fault driver and you have $25,000 per person in UM/UIM Coverage available to you under your own or someone else's policy, you may not receive any benefits for UIM Coverage under the Policy because that driver would most likely not be an Underinsured Motorist. Similarly, if you received $50,000 in liability bodily injury benefits from the at fault driver and you have a total of $50,000 per person in UM/UIM Coverage available to you under your own or someone else's policy, you may not receive any benefits for UIM Coverage under your policy(ies) because that driver would most likely not be an Underinsured Motorist. This is because under New Mexico law, Underinsured Motorist Coverage pays the 'gap' between the at fault driver's liability insurance limits and the limits of Underinsured Motorist Coverage available to you. It does not pay the 'excess' of damages you suffer that are above the at fault driver's liability limits – only the difference between that person's liability limits and the limits of all Underinsured Motorist Coverage available to you, if there is any difference.

Please note that the above example applies only to situations inlvolving UIM coverage and not UM coverage.

Therefore, it is very important to consider this when selecting UM/UIM coverage limits.

Terrorism Insurance Premium Disclosure

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

The premium charge for coverage for "Certified Acts of Terrorism" will appear in this Proposal as a separate line item charge. If you choose to accept this proposal, you will have the opportunity to reject this coverage and premium charge. This offer applies to all lines except Workers Compensation, Crime, Professional Liability and Commercial Automobile.

The Terrorism Risk Insurance Act

The Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act"), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer's losses from "certified acts of terrorism" exceed a specified deductible amount, the government will generally reimburse the insurer for a percentage of losses (the "Federal Share") paid in excess of the deductible, but only if aggregate industry losses from such acts exceed the "Program Trigger". An insurer that has met its insurer deductible is not liable for any portion of losses in excess of $100 billion per calendar year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed $100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.
Beginning in calendar year 2020, the Federal Share is 80% and the Program Trigger is $200,000,000.

Mandatory Availability of Coverage For "Certified Acts of Terrorism"

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a "certified act of terrorism" AND that is otherwise covered under your policy.

A "certified act of terrorism" means:

[A]ny act that is certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States

i. to be an act of terrorism;
ii. to be a violent act or an act that is dangerous to –
    I. human life;
    II. property; or
    III. infrastructure;
iii. to have resulted in damage within the United States, or outside of the United States in the case of –
    I. an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
    II. the premises of a United States mission; and
iv. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Liberty Mutual Group
Umbrella Liability Proposal

Account Name	SIMPSON COUNTY BOARD OF EDUCATION	**Broker**	FRANKLIN INSURANCE INC
Address	430 S COLLEGE ST	**Address**	724 N MAIN ST
Address		**Address**	
City	FRANKLIN	**City**	FRANKLIN
State	KY	**State**	KY
Zip	42134	**Zip**	42134-1332
Underwriter	Lori Steinbeck	**Broker Contact**	Shelly Buckner

Writing Company: Liberty Insurance Corporation (7)
Proposal Effective: 7/1/2022 to 7/1/2023

Coverages:	**Limits:**
Each Occurrence Limit	**$10,000,000**
General Aggregate Limit	**$10,000,000**
Products - Completed Operations Aggregate Limit	**$10,000,000**
Self–Insured Retention – Each Occurrence	**$10,000**
Flat Charge	**N/A**
Minimum Retained Premium	**$0**
Premium Subtotal	**$28,154**
FIGA Surcharge	**$0**
Terrorism Risk Insurance Act	**$704**
Total Estimated Premium	**$28,858**
Commission	**15.0%**
Payment Terms	**Per proposal summary**

Underlying Schedule	**Limits**		**Carrier**	**Premium**
Auto Liability	CSL	2,000,000	Liberty Mutual Fire Insurance Company	$74,972
General Liability	Each Occurrence	1,000,000	Liberty Insurance Corporation	$30,041
	General Aggregate	2,000,000		
	Products/Completed Ops Aggregate	2,000,000		
	Pers & Adv Injury Limit	1,000,000		
Employee Benefits Liability	Each Employee	1,000,000	Liberty Insurance Corporation	
	Aggregate	3,000,000		
School Leaders Errors and Omissions Liability	Each Wrongful Act	1,000,000	Liberty Mutual Fire Insurance Company	$10,182
	Aggregate	1,000,000		
Law Enforcement Liability	Each Wrongful Act	1,000,000	Liberty Mutual Fire Insurance Company	$600
	Aggregate	1,000,000		
Sexual Misconduct and Molestation Liability	Each Loss	1,000,000	Liberty Insurance Corporation	
	Aggregate	1,000,000		

Estimated Exposures	Students		3,070
	Power Units		55
		PPT	1
		LT	20
		MT	0
		HT	34
		EHT	0
		Tractor	0
	Number of Employees		0

Policy Form and Endorsements:

LCU 04 11 01 18 Crisis Management Coverage
Crisis Management Expense Aggregate Limit: $ 250,000
Liberty Mutual Preferred Public Relations Vendor: Weber Shandwick
Liberty Mutual Claims: 1-800-362-0000
LCU 21 19 01 18 Silica or Silica-Related Dust Exclusion
LCU 21 47 01 18 Damage First Occurring Prior To Policy Period Exclusion
LCU 21 85 01 18 Access or Disclosure of Confidential or Personal Information and Data-Related Liability Exclusion – With Limited Bodily Injury Exception
LCU 25 09 01 18 Non-Cumulation Of Liability (Same Occurrence)
LCU 24 09 09 19 Foreign Liability Limitation
LCU 02 10 01 18 Kentucky Changes – Cancellation And Nonrenewal
LIL 90 05 06 13 Participating Provision
EN 90 09 01 10 Kentucky Notice to Policyholders
LCU 00 01 01 18 Commercial Liability – Umbrella Coverage Form
SNI 90 02 01 20 Policyholder Disclosure Terrorism Risk Insurance Act
SNI 04 01 12 20 Liberty Mutual Group California Privacy Notice
LCU 21 02 01 18 Failure To Supply Exclusion
LCU 21 04 01 18 Cross Suits Exclusion
LCU 21 12 01 18 Employer's Liability Exclusion
LCU 21 122 01 18 Lead Exclusion
LCU 60 04 01 18 Cap on Losses from Certified Acts of Terrorism
LCU 60 06 01 18 Punitive Damages Related To A Certified Act Of Terrorism Exclusion
LCU 04 20 02 20 School Amendatory Endorsement
LCU 29 17 02 20 Occurrence - Resulting Property Damage
LCU 21 106 01 18 Trampoline Exclusion
LCU 21 105 01 18 Climbing or Rappelling Walls Exclusion
LCU 22 04 01 18 Public Entity Immunity And Tort Cap Preservation
LCU 04 19 02 20 School Leaders Errors and Omissions Liability Coverage Limitation (Claims-Made)
Retroactive Date 07/01/1995
Claims-Made Inception Date 07/01/2016
LCU 04 22 02 20 School Law Enforcement Professional Liability Coverage Limitation (Claims-Made)
Retroactive Date: 07/01/2012
Claims-Made Inception Date: 07/01/2016
LCU 04 13 07 21 Sexual Misconduct Liability Coverage Limitation
LCU 26 01 01 18 Total Pollution Exclusion
LCU 04 38 04 22 Schools - Unlawful Discrimination Limitation
LCU 24 26 01 18 Fungi or Bacteria Limitation

Important Considerations:

Please read this proposal carefully, as the terms and conditions may differ from those in the submission.

Quote expires on: 7/1/2022.

We reserve the right to amend premium, terms & conditions or withdraw the proposal if underlying carriers, pricing or terms change.

All underlying carriers must be rated A- V or better by A.M. Best.

Underlying policy numbers must be received upon binding for policy issuance.

The Terrorism Risk Insurance Act offer letter is included in this document.

Copies of all non-Liberty Mutual underlying policies must be received within 60 days of binding.

An important notice regarding the expiration of the Terrorism Risk Insurance Act is included in this document.

To learn more about Liberty Mutual's privacy policy,
go to: https://www.libertymutualgroup.com/about-lm/corporate-information/privacy-policy

Terrorism Risk Insurance Act, Including all Amendments, ("TRIA" or the "Act")

ACCEPT OR REJECT OPTION: The following notice will be added to your policy:

POLICYHOLDER DISCLOSURE, TERRORISM RISK INSURANCE ACT

If you ACCEPT TRIA: The following endorsements will be added to your policy:

The Terrorism endorsements described below **do not apply** to umbrella coverage over underlying Commercial Automobile insurance, but otherwise apply as follows if attached to your policy:

Underlying Coverage Requirement for Certified Acts of Terrorism – LCU 60 01

Cap on Losses from Certified Acts of Terrorism – LCU 60 04

Punitive Damages Related to a Certified Act of Terrorism Exclusion – LCU 60 06

Punitive Damages Related to a Certified Act of Terrorism Exclusion – LCU 60 10
(This endorsement applies only in Arkansas.**)**

If you REJECT TRIA: The following endorsement will be added to your policy:

The Terrorism endorsement described below **does not apply** to umbrella coverage over underlying Commercial Automobile insurance, but otherwise applies as follows if attached to your policy:

Certified Acts of Terrorism Exclusion – LCU 60 05

June 1, 2022

SIMPSON COUNTY BOARD OF EDUCATION

Umbrella Policy
Effective: July 1, 2022

POLICYHOLDER DISCLOSURE

NOTICE OF OFFER TO PURCHASE TERRORISM INSURANCE
FOR POLICY PERIOD

This notice contains important information about the Terrorism Risk Insurance Act and your option to purchase terrorism insurance coverage. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act") establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer's losses from "certified acts of terrorism" exceed a specified deductible amount, the government will generally reimburse the insurer for a percentage of losses (the "Federal Share") paid in excess of the deductible, but only if aggregate industry losses from "certified acts of terrorism" exceed the "Program Trigger". An insurer that has met its insurer deductible is not liable for any portion of losses in excess of $100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed $100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

Beginning in calendar year 2020, the Federal Share is 80% and Program Trigger is $200,000,000.

MANDATORY OFFER OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM" AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a "certified act of terrorism" AND that is otherwise covered under this policy. You have the option to accept or reject this coverage.

A "certified act of terrorism" means:
[A]ny act that is certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States
(i) to be an act of terrorism;
(ii) to be a violent act or an act that is dangerous to –
(I) human life;
(II) property; or
(III) infrastructure;
(iii) to have resulted in damage within the United States, or outside of the United States in the case of –
(I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
(II) the premises of a United States mission; and
(iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

How the act affects your policy and what you must do

SELECTION OR REJECTION OF OPTIONAL TERRORISM INSURANCE COVERAGE

You have the option of purchasing coverage for losses resulting from "certified acts of terrorism" where it could otherwise be excluded. This offer pertains only to those lines of business covered by TRIA and, more specifically, does not apply to commercial automobile insurance. This offer is also expressly conditioned upon your acceptance of coverage for "certified acts of terrorism" on all underlying insurance policies that are subject to TRIA or, where applicable, the existence of such coverage on all TRIA eligible lines for which you self insure. If you reject TRIA coverage on your primary liability policies, you must also reject it on your Excess, Umbrella or Umbrella Excess policy.

The premium charge for this coverage for the policy period is $704 and does not include any charges for the portion of loss covered by the Federal government under the Act.

If you reject this offer, you will not be covered for losses resulting from "certified acts of terrorism."

Please indicate on the attached coverage election form, whether you accept or reject this offer. If we do not receive a completed Terrorism Coverage Election Form from you, coverage for "certified acts of terrorism" will be excluded from your policy.

TERRORISM COVERAGE ELECTION FORM

PLEASE INDICATE YOUR ELECTION TO ACCEPT OR REJECT THIS OFFER BELOW:

☐ I hereby elect to purchase coverage for "certified acts of terrorism" for the policy period for $704

☐ I hereby reject this offer of coverage. I understand that by rejecting this offer, I will have no coverage for losses arising from "certified acts of terrorism" and my policy will be endorsed accordingly.

POLICYHOLDER ACKNOWLEDGEMENT

I hereby acknowledge that I have received notice of TRIA, the federal share of compensation for "certified acts of terrorism," and the premium charge for losses covered by TRIA.

_____ _____

Policyholder/Applicant Signature Date

_____

Print Name

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your sales representative or agent.

RM SELECT™ POLICY

POLICY REFERENCE INDEX

This INDEX is to help **you** read **your** Policy. It is not a part of the Policy and is in no way a substitute for reading **your** entire Policy.

Your Policy may or may not include all of the forms, endorsements, coverages and provisions listed in this INDEX. Refer to the POLICY INDEX, Form RM0003, for a list of forms and endorsements that are included on **your** policy.

PLEASE READ **YOUR** POLICY CAREFULLY!

DRAFT

	Form Number	Beginning on Page
ANNUAL MEETING NOTICE	LIL 90 04	
POLICY INDEX	RM0003	
STATE OR MUNICIPAL TAXES, SURCHARGE AND OTHER MISCELLANEOUS CHARGES SUMMARY	RM0005	
DECLARATIONS	RM1000	
Named Insured and Mailing Address		1
Policy Period		1
Policy Premium		1
A. Insuring Agreement		2
B. Coverages		2
C. Limits of Liability		2
D. Standard Extensions of Coverage		2
E. Optional Extensions of Coverage – Sublimits of Liability		2
F. Equipment Breakdown Coverage		3
G. Deductible and waiting periods		4
Schedule		5
COVERAGES	RM1001	
A. Real Property		1
B. Personal Property		1

© 2013 Liberty Mutual Insurance. All rights reserved.

	Form Number	Beginning on Page
COVERAGES – (CONTINUED)	RM1001	
C. Loss of **Business Income**		1
D. Extra Expense		3
E. Equipment Breakdown		4
EXTENSIONS OF COVERAGE	RM1002	
A. Standard Extensions of Coverage		1
1. Accounts Receivable		1
2. Arson Reward		2
3. Computer Virus and Denial of Access		2
4. Debris Removal Expense		3
5. Deferred Payments		3
6. Duty to Defend		3
7. Extended **Period of Restoration**		4
8. Fire Department Charges		4
9. Fine Arts		4
10. Fungus Cleanup Expense		4
11. Installation of **Personal Property** or **Personal Property of Others**		5
12. Lock and Key Replacement		5
13. Personal Property of Employees		5
14. Plants, Trees or Shrubs		5
15. Pollution Cleanup Expense		5
16. Professional Fees		6
17. Removal		6
B. Optional Extensions of Coverage		6
1. Course of Construction		6
2. Errors and Omissions		7
3. Exhibitions, Expositions, Fairs or Trade Shows		7
4. Miscellaneous Locations		7
5. New Locations		7
6. Demolition Cost, Increased Construction Cost and Operation of Building Laws		8
7. Salespeople		8
8. Transit		9
9. Unscheduled Locations		9
EXCLUSIONS	RM1003	
A. GROUP A EXCLUSIONS		1
B. GROUP B EXCLUSIONS		3
PROPERTY NOT COVERED	RM1004	
VALUATIONS	RM1005	
A. Replacement Cost		1

DRAFT

	Form Number	Beginning on Page
VALUATIONS – (CONTINUED)	RM1005	
B. Actual Cash Value		1
C. Other Valuations		2
CONDITIONS	RM1006	
A. Abandonment of Property		1
B. Appraisal		1
C. Assignment		1
D. Brands and Labels		1
E. Breach of Condition		1
F. Cancellation		1
G. Change of Terms		2
H. Collection from Others		3
I. Concealment, Misrepresentation or Fraud		3
J. Inspection		3
K. Liberalization		3
L. Loss Payee		3
M. Mortgage Holders		4
N. No Benefit to Bailee		4
O. No Reduction by Loss		4
P. Nonrenewal		4
Q. Other Insurance		5
R. Our Options		5
S. Pair, Set or Parts		5
T. Payment of Loss		5
U. Policy Period and Territory		6
V. Recovered Property		6
W. Right to Adjust with Owner		6

DRAFT

	Form Number	Beginning on Page
CONDITIONS – (CONTINUED)	RM1006	
X. Subrogation		6
Y. Suit		6
Z. Suspension		7
A.A. Titles of Paragraphs		7
B.B. Vacancy		7
C.C. Your Duties After a Loss		8
DEFINITIONS	RM1007	
A. Accident		1
B. Actual cash value		1
C. Average daily value (ADV)		1
D. Business income		1
E. Covered location(s)		2
F. Covered loss		2
G. Covered property		2
H. Data		2
I. Data processing equipment		2
J. Earth movement		2
K. Effective date		2
L. Extra expense		2
M. Fine arts		2
N. First tier wind Counties and Parishes		2
O. Flood		3
P. Fungus		3
Q. Hail		3
R. Limit(s) of liability		3
S. Media		3

DRAFT

	Form Number	Beginning on Page
DEFINITIONS – (CONTINUED)	RM1007	
T. Miscellaneous location(s)		3
U. Mobile equipment or tools		4
V. Named Storm		4
W. New location(s)		4
X. New Madrid		4
Y. Object(s)		4
Z. Occurrence		5
A.A. Perils insured against		5
B.B. Period of restoration		5
C.C. Perishable goods		6
D.D. Personal property		6
E.E. Personal property of others		6
F.F. Policy period		7
G.G. Pollutant(s)		7
H.H. Pollution		7
I.I. Puget Sound		7
J.J. Real property		7
K.K. Replacement cost		7
L.L. Second tier wind Counties and Parishes		7
M.M. Sinkhole collapse		7
N.N. Software		8
O.O. Specified perils		8
P.P. Transit		8
Q.Q. Unscheduled location(s)		8
R.R. Valuable papers and records		8
S.S. Volcanic activity		9
T.T. We, **us** and **our(s)**		9
U.U. Wind		9
V.V. You and **your(s)**		9

DRAFT

	Form Number	Beginning on Page

ENDORSEMENTS

See POLICY INDEX

DRAFT

Policy Number YU2-Z51-293493-062

RM SELECT™ POLICY

POLICY INDEX

TITLE	FORM NO.	EDITION DATE
POLICY REFERENCE INDEX	RM0002	06-13
POLICY INDEX	RM0003	02-11
NAMED INSURED CHANGE ENDORSEMENT	RM0004	01-04
PRODUCER OF RECORD INFORMATION	EN4008	01-11
LIBERTY MUTUAL GROUP CALIFORNIA PRIVACY NOTICE	SNI 04 01	12-20
DECLARATIONS	RM1000	02-11
COVERAGES	RM1001	09-08
EXTENSIONS OF COVERAGES	RM1002	02-11
EXCLUSIONS	RM1003	02-11
PROPERTY NOT COVERED	RM1004	02-11
VALUATIONS	RM1005	02-11
CONDITIONS	RM1006	02-11
DEFINITIONS	RM1007	02-11
SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES	RM1102	03-08
MOBILE EQUIPMENT OR TOOLS EXTENSION	RM1104	03-08
EARTH MOVEMENT COVERAGE	RM1106	03-08
FLOOD COVERAGE	RM1108	03-08
INTERRUPTION OF SERVICES COVERAGE EXTENSION	RM1110	02-11
ADDITIONAL DEDUCTIBLES AND WAITING PERIODS	RM1115	02-11
STANDARD EXTENSIONS AMENDATORY	RM1119	03-08
CAP ON LOSSES FROM CERTIFIED ACT(S) OF TERRORISM	RM1144R1	01-15
ADDITIONAL FIRST TIER WIND COUNTIES AND INDEPENDENT CITIES (THE STATES OF VIRGINIA THROUGH AND INCLUDING MAINE)	RM1158	11-12
ACTUAL CASH VALUE - DEFINED	RM1182	11-20
RM CUSTOM SELECT™ EDUCATIONAL INSTITUTIONS	RM1196	01-19
EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE	RM1250	03-08
COURSE OF CONSTRUCTION SPECIFIC PROJECTS AMENDATORY	RX1213	02-13
LAND IMPROVEMENTS	RX1417	10-20
DISCLOSURE - TERRORISM RISK INSURANCE ACT	EN9052	01-20
REPORTING A COMMERCIAL CLAIM 24 HOURS A DAY	CNI 90 11	07 18

DRAFT

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSURED CHANGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

The named insured in the Declarations is:

Named Insured
Simpson County Board of Education



Copyright 2004, Liberty Mutual Group of Companies - all rights reserved.

Important Notice

PRODUCER OF RECORD INFORMATION

This policy has been issued by **us** to **you** through the following producer of record:

Name and Address of Producer of Record

FRANKLIN INSURANCE INC
724 N MAIN ST

FRANKLIN, KY 42134-1332

DRAFT

LIBERTY MUTUAL GROUP CALIFORNIA PRIVACY NOTICE
Commercial Lines (excluding Workers' Compensation)
(Effective December 15, 2020)

Liberty Mutual Group and its affiliates, subsidiaries, and partners (collectively "Liberty Mutual" or "we", "us" and "our") provide insurance to companies and other insurers. This Privacy Notice explains how we gather, use, and share your data. This Privacy Notice applies to you if you are a **Liberty Mutual commercial line insured or are a commercial line claimant residing in California**. It does not apply to covered employees or claimants under Workers' Compensation policies. If this notice does not apply to you, go to libertymutual.com/privacy to review the applicable Liberty Mutual privacy notice.

What Data Does Liberty Mutual Gather?

We may collect the following categories of data:

- **Identifiers**, including a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security Number, driver's license number, or other similar identifiers;
- **Personal information described in California Civil Code § 1798.80(e)**, such as your name, signature, Social Security Number, physical characteristics or description, address, telephone number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, financial information, medical information, or health insurance information;
- **Protected classification characteristics**, including age, race, color, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, or veteran or military status;
- **Commercial information**, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories and tendencies;
- **Internet or other similar network activity**, including browsing history, search history, information on a consumer's interaction with a website, application, or advertisement;
- **Professional or employment related information**, including current or past job history or performance evaluations;
- **Inferences drawn from other personal information**, such as a profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes;
- **Risk data**, including data about your driving and/or accident history; this may include data from consumer reporting agencies, such as your motor vehicle records and loss history information, health data, or criminal convictions; and
- **Claims data**, including data about your previous and current claims, which may include data regarding your health, criminal convictions, third party reports, or other personal data.

For information about the types of personal data we have collected about California consumers in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

How We Get the Personal Data:

We gather your personal data **directly from you**. For example, you provide us with data when you:	We also gather your personal data **from other people**. For example:
• ask about, buy insurance or file a claim	• your insurance agent or broker
• pay your policy	• your employer, association or business (if you are insured through them)
• visit our websites, call us, or visit our office	• our affiliates or other insurance companies about your transactions with them

© 2020 Liberty Mutual Insurance

	• consumer reporting agencies, Motor Vehicle Departments, and inspection services, to gather your credit history, driving record, claims history, or value and condition of your property
	• other public directories and sources
	• third parties, including other insurers, brokers and insurance support organizations who you have communicated with about your policy or claim, anti-fraud databases, sanctions lists, court judgments and other databases, government entities, open electoral register, advertising networks, data analytics providers, social networks, data brokers or in the event of a claim, third parties including other parties to the claim witnesses, experts, loss adjustors and claim handlers
	• other third parties who take out a policy with us and are required to provide your data such as when you are named as a beneficiary or where a family member has taken out a policy which requires your personal data

For information about how we have collected personal data in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

How Does Liberty Mutual Use My Data?

Liberty Mutual uses your data to provide you with our products and services, and as otherwise provided in this Privacy Notice. Your data may be used to:

Business Purpose	**Data Categories**
Market, sell and provide insurance. This includes for example: • calculating your premium; • determining your eligibility for a quote; • confirming your identity and service your policy;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Manage your claim. This includes, for example: • managing your claim, if any; • conducting claims investigations; • conducting medical examinations; • conducting inspections, appraisals; • providing roadside assistance; • providing rental car replacement or repairs;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk Data • Claims Data

© 2020 Liberty Mutual Insurance

Day to Day Business and Insurance Operations. This includes, for example: • creating, maintaining, customizing and securing accounts; • supporting day-to-day business and insurance related functions; • doing internal research for technology development; • marketing and creating products and services; • conducting audits related to a current contact with a consumer and other transactions; • as described at or before the point of gathering personal data or with your authorization;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Security and Fraud Detection. This includes for example: • detecting security issues; • protecting against fraud or illegal activity, and to comply with regulatory and law enforcement authorities; • managing risk and securing our systems, assets, infrastructure and premises; • help to ensure the safety and security of Liberty staff, assets and resources, which may include physical and virtual access controls and access rights management; • supervisory controls and other monitoring and reviews, as permitted by law; and • emergency and business continuity management;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Regulatory and Legal Requirements. This includes for example: • controls and access rights management; • to evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of Liberty's assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal data held by Liberty is among the assets transferred; • exercising and defending our legal rights and positions; • to meet Liberty contract obligations; • to respond to law enforcement requests and as required by applicable law, court order, or governmental regulations; • as otherwise permitted by law.	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data

© 2020 Liberty Mutual Insurance

Improve Your Customer Experience and Our Products. This includes for example: • improve your customer experience, our products and service; • to provide, support, personalize and develop our website, products and services; • create and offer new products and services;	• Identifiers • Personal Information • Commercial Information • Internet of other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Analytics to identify, understand and manage our risks and products. This includes for example: • conducting analytics to better identify, understand and manage risk and our products;	• Identifiers • Personal Information • Protected Classification Characteristics • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data
Customer service and technical support. This includes for example: • answer questions and provide notifications; • provide customer and technical support;	• Identifiers • Personal Information • Commercial Information • Internet or other similar network activity • Professional or employment related information • Inferences drawn from other personal information • Risk data • Claims data

How Does Liberty Mutual Share My Data?

Liberty Mutual does not sell your personal data as defined by the California Consumer Privacy Act.

Liberty Mutual shares personal data of California consumers with the following categories of third parties:

- Liberty Mutual affiliates;
- Service Providers;
- Insurance support organizations;
- Brokers and agents;
- Government entities and institutions (e.g. regulatory, quasi-regulatory, tax or other authorities, law enforcement agencies, courts, arbitrational bodies, and fraud prevention agencies);
- Professional advisors including law firms, accountants, auditors, and tax advisors;
- Advertising networks, data analytics providers and social networks;
- Insurers, re-insurers, policyholders, and claimants; and
- As permitted by law.

Liberty Mutual shares the following categories of personal data regarding California consumers to service providers for business purposes:

Identifiers
Protected Classification Characteristics;
Internet or other similar network activity;
Inferences drawn from other personal information;
Professional, employment, and education information;
Personal Data;
Commercial Information;
Claims Data;
Risk Data;

For information about how we have shared personal information in the past twelve (12) months, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

© 2020 Liberty Mutual Insurance

What Privacy Rights Do I Have?

The California Consumer Privacy Act provides California residents with specific rights regarding personal information. These rights are subject to certain exceptions. Our response may be limited as permitted under law. For more information on your rights, please go to libertymutual.com/privacy and click on the link for the California Supplemental Privacy Policy.

Will Liberty Mutual Update This Privacy Notice?

We reserve the right to makes changes to this notice at any time and for any reason. The updated version of this policy will be effective once it is accessible. You are responsible for reviewing this policy to stay informed of any changes or updates.

Who Do I Contact Regarding Privacy?

If you have any questions or comments about this Notice or the Supplemental CCPA Notice, your rights, or are requesting the Notice in an alternative format, please do not hesitate to contact Liberty Mutual at:

Phone: 800-344-0197

Email: privacy@libertymutual.com

Postal Address: Liberty Mutual Insurance Company
Attn Privacy Office
175 Berkeley St 6th Floor
Boston MA 02116

DRAFT

© 2020 Liberty Mutual Insurance

RM SELECT™ POLICY

DECLARATIONS

Policy number YU2-Z51-293493-062

Named Insured and Mailing Address

Simpson County BOE
See Form RM0004
430 S College St
Franklin KY 42134-2212

Form of Business Corporation

Premium Will Be Billed Annually

Policy Period: 07/01/2022 to 07/01/2023 at 12:01 A.M. standard time at above mailing address.

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 (Excluding premium for "certified act(s) of terrorism" under the Terrorism Risk Insurance Act (TRIA), as amended):	$76,858
Premium for "certified act(s) of terrorism" under the Terrorism Risk Insurance Act (TRIA), as amended:	$1,783
State or Municipal Taxes, Surcharges and Other Miscellaneous Charges: (See State or Municipal Taxes, Surcharges and Other Miscellaneous Charges Summary, Form RM0005, for breakdown)	$0
Total Premium/Other Charges for Above **Policy Period**:	$78,641
The Deposit Premium/Other Charges is:	$78,641

Issued By: Liberty Mutual Fire Insurance Company

By:

Authorized Company Representative OR Countersignature (as required)

DRAFT

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

DECLARATIONS (Continued)

A. Insuring Agreement

Subject to all the terms and conditions of this policy, **we** will pay for risks of direct physical loss or damage to **covered property** as a result of an **occurrence**, unless excluded.

If this policy provides Equipment Breakdown coverage then subject to all the terms and conditions of this policy **we** will pay for direct physical loss or damage to **covered property** as a result of an **accident** to an **object**, unless excluded.

This policy consists of the forms and endorsements shown on the POLICY INDEX, Form RM0003, and any endorsements attached to the policy. Insurance is provided at those locations and for those coverages and **limits of liability** shown on the Schedule of this form. Extensions of coverage, sublimits of liability and deductibles are listed on this form. Endorsements may contain separate terms, conditions, deductibles and limits or sublimits of liability.

Words in **bold faced type** have special meanings in this policy. They are defined in DEFINITIONS, Form RM1007. These definitions apply to this entire policy, and to any endorsements to it. Definitions that apply to individual forms or endorsements will be italicized and noted in those forms or endorsements. The names of forms are capitalized (for example, DECLARATIONS).

B. Coverages

We provide the following coverages if they are marked with an "X". Coverages are provided in accordance with the terms of this policy. Terms that apply only to individual coverage forms are set forth in those forms. This policy provides coverage on a replacement cost basis for **real property**, **personal property**, **personal property of others** and equipment breakdown except as indicated on VALUATIONS, Form RM1005, or any other forms or endorsements attached to this policy.

(X) **Real Property**
(X) **Personal Property**, including **personal property of others**
(X) Equipment Breakdown
( ) Loss of **Business Income**
- ( ) **Real Property** or **Personal Property** only
- ( ) Equipment Breakdown only
- ( ) **Real Property** or **Personal Property** and Equipment Breakdown

(X) **Extra Expense**
- ( ) **Real Property** or **Personal Property** only
- ( ) Equipment Breakdown only
- (X) **Real Property** or **Personal Property** and Equipment Breakdown

C. Limits of Liability

We will not pay more than the applicable **limit of liability** shown on the Schedule of this form for any one (1) **occurrence** or any one (1) **accident** covered by this policy, nor will **we** pay for more than **your** interest in the lost or damaged property.

D. Standard Extensions of Coverage

Refer to **A.** of EXTENSIONS OF COVERAGE, Form RM1002, for the standard extensions of coverage, including sublimits of liability, provided by this policy.

E. Optional Extensions of Coverage – Sublimits of Liability

1. The sublimits of liability shown in **E. 4.** below apply to the Optional Extensions of Coverage defined in **B.** of EXTENSIONS OF COVERAGE, Form RM1002. If no sublimit is shown, no coverage is provided.

2. If a sublimit is shown in **E. 4.** below for **miscellaneous locations**, **new locations** and **unscheduled locations**, coverage may be limited or excluded elsewhere in this policy or its endorsements.

3. These sublimits are the most **we** will pay for any loss covered by these Optional Extensions of Coverage. For **miscellaneous locations**, **new locations** and **unscheduled locations**, the most **we** will pay for any loss or damage will be the lesser of:

a. The sublimit shown below for **miscellaneous locations**, **new locations** or **unscheduled locations**; or

b. The sublimit shown on any individual coverage form or endorsement.

4. Optional Extensions of Coverage:

a.	$500,000	Course of Construction;
b.	$5,000,000	Demolition Cost;
c.	$Included in 4b.	Increased Construction Cost;
d.	$Included in 4b.	Operation of Building Laws;
e.	$250,000	Errors and Omissions;
f.	$50,000	Exhibitions, Expositions, Fairs or Trade Shows;
g.	$50,000	at each **miscellaneous location**;
h.	$1,000,000	at each **new location**, for up to 180 days from the date such **new location(s)** is first purchased or rented, whichever is earlier;
i.	$50,000	on covered **personal property** in the custody of salespeople;
j.	$100,000	**Transit**;
k.	$No Coverage	at each **unscheduled location**.

F. Equipment Breakdown Coverage

1. Equipment Breakdown **limit of liability**

If marked with an "X" the following **limits of liability** apply:

(X) See the Schedule of this form;

( ) See Form Not Applicable; or

( ) **Limit(s) of liability** shown below are separate from any other applicable **limit of liability** or any sublimit of liability of this policy.

$Not Applicable	Damage to covered **object(s)**, loss of **business income**, and **extra expense**;
$Not Applicable	Damage to covered **object(s)** and loss of **business income**;
$Not Applicable	Damage to covered **object(s)** and **extra expense**;
$Not Applicable	Damage to covered **object(s)**;
$Not Applicable	Loss of **business income** and **extra expense**;
$Not Applicable	Loss of **business income**;
$Not Applicable	**Extra expense**.

DRAFT

DECLARATIONS (Continued)

2. For equipment breakdown extensions of coverage see EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250.

G. Deductible and waiting periods, except as indicated on any other forms or endorsements attached to this policy.

1. $10,000. Unless marked with an "X" in **G. 2.**, or as provided in **G. 3.** below, **we** will not pay unless a **covered loss** from any one (1) **occurrence** exceeds the amount shown.

2. (X) See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

3. Equipment breakdown deductibles or waiting periods will be applied as specified below:

a. If **you** have a combined deductible, **we** will not pay unless a covered equipment breakdown loss from any one (1) **accident** is more than:

$Not Applicable	for loss to covered **object(s)**, loss of **business income**, and **extra expense**;
$Not Applicable	for loss to covered **object(s)** and loss of **business income**;
$See G.1 above	for loss to covered **object(s)** and **extra expense**

b. If one (1) or more deductible amounts are shown below, each will be applied separately.

$Not Applicable	Covered **object(s)**.
$Not Applicable	Loss of **business income** and **extra expense**.
$Not Applicable	Loss of **business income**.
$Not Applicable	**Extra expense**.
Not Applicable	times the **average daily value** of loss of **business income** or **extra expense** during the **period of restoration**.
Not Applicable	hours immediately following the **accident** for loss of **business income** or **extra expense**.

c. **We** will not pay for loss of **business income**, **extra expense**, or, to the extent **perishable goods** coverage is provided in EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250, unless a covered equipment breakdown loss from any one (1) **accident** to an **object** exceeds a waiting period of Not Applicable hours.

Once the waiting period has been exceeded coverage will begin at the initial time of the interruption, and will be subject to the deductibles shown in **G. 3.**

d. ( ) See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

Once a deductible or waiting period is exceeded, **we** will then pay for the excess, up to the applicable **limit of liability**.

If a **covered loss**, involves two (2) or more deductibles, **we** will use no more than the largest of the applicable deductibles except as provided in **G. 3. b.** or the ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

DRAFT

DECLARATIONS (Continued)

Schedule

No.	Location or Sub-location	Coverage	**Limit of Liability**
1.1-4.3, 4.5-8.12, 8.14-9.1		Blanket **Real Property**	$147,858,601*
1.1-4.3, 4.5-8.12, 8.14-9.1		Blanket **Personal Property** excluding Signs	$14,872,021*
1.1-2.7, 3.1-4.3, 4.5-5.1, 6.1-6.3, 7.1-8.12, 8.14-9.1		Signs	$20,000*
1.1-4.3, 4.5-8.12, 8.14-9.1		Blanket **Extra Expense**	$5,000,000*

*Limits include Equipment Breakdown

DRAFT

DECLARATIONS (Continued)

List of Locations:

Loc #	Address	City	State	Zip	Country
1	430 S COLLEGE ST	FRANKLIN	KY	42134	
2.1	320 YOKLEY ST BASEBALL FIELD COMPLEX	FRANKLIN	KY	42134	
2.2	320 YOKLEY ST PROPERTY IN THE OPEN LOC B	FRANKLIN	KY	42134	
2.3	320 YOKLEY ST FOOTBALL FIELD STADIUM	FRANKLIN	KY	42134	
2.4	320 YOKLEY ST PROPERTY IN THE OPEN LOC D	FRANKLIN	KY	42134	
2.5	320 YOKLEY ST ATHLETIC BUILDING	FRANKLIN	KY	42134	
2.6	320 YOKLEY ST LIGHT POLES	FRANKLIN	KY	42134	
2.7	320 YOKLEY ST CONCESSION/BATHROOM	FRANKLIN	KY	42134	
2.8	320 YOKLEY ST BASEBALL PRESSBOX	FRANKLIN	KY	42134	
2.9	320 YOKLEY ST BASEBALL RESTROOMS	FRANKLIN	KY	42134	
2.10	320 YOKLEY ST BASEBALL CONCESSIONS	FRANKLIN	KY	42134	
2.11	320 YOKLEY ST BASEBALL PAVILLION	FRANKLIN	KY	42134	
2.12	320 YOKLEY ST BASEBALL PITCH PAVILLION	FRANKLIN	KY	42134	
2.13	320 YOKLEY ST BASEBALL POLES	FRANKLIN	KY	42134	
2.14	320 YOKLEY ST FOOTBALL PAVILION	FRANKLIN	KY	42134	

DRAFT

DECLARATIONS (Continued)

Loc #	Address	City	State	Zip	Country
2.15	320 YOKLEY ST FIELD HOUSE	FRANKLIN	KY	42134	
2.16	320 YOKLEY ST TICKET BOOTH	FRANKLIN	KY	42134	
2.17	320 YOKLEY ST POLES ATHLETIC BUILDING	FRANKLIN	KY	42134	
3.1	322 S COLLEGE ST FRANKLIN-SIMPSON MIDDLE SCHOOL	FRANKLIN	KY	42134	
3.2	322 S COLLEGE ST ART BUILDING	FRANKLIN	KY	42134	
3.3	322 S COLLEGE ST GYM - MIDDLE SCHOOL	FRANKLIN	KY	42134	
3.4	322 S COLLEGE ST LIGHT POLES/MIDDLE SCHOOL	FRANKLIN	KY	42134	
4.1	211 S MAIN ST FRANKLIN ELEMENTARY SCHOOL	FRANKLIN	KY	42134	
4.2	211 S MAIN ST PROPERTY IN THE OPEN LOC B	FRANKLIN	KY	42134	
4.3	211 S MAIN ST MOBILE UNIT 15 ROOMS	FRANKLIN	KY	42134	
4.5	211 S MAIN ST HEAD START MODULAR CENTER	FRANKLIN	KY	42134	
4.6	211 S MAIN ST LIGHT POLES	FRANKLIN	KY	42134	
5.1	601 JOHN J JOHNSON AVE LINCOLN ELEMENTARY	FRANKLIN	KY	42134	
5.2	601 JOHN J JOHNSON AVE PROPERTY IN THE OPEN	FRANKLIN	KY	42134	
6.1	721 WITT RD SIMPSON ELEMENTARY	FRANKLIN	KY	42134	

DRAFT

DECLARATIONS (Continued)

Loc #	Address	City	State	Zip	Country
6.2	721 WITT RD PROPERTY IN THE OPEN	FRANKLIN	KY	42134	
6.3	721 WITT RD LIGHT POLES	FRANKLIN	KY	42134	
6.4	721 WITT RD GIRLS SOFTBALL DUGOUTS	FRANKLIN	KY	42134	
6.5	721 WITT RD GIRLS SOFTBALL COMPLEX	FRANKLIN	KY	42134	
6.6	721 WITT RD GIRLS SOFTBALL BROADCAST BOOTH	FRANKLIN	KY	42134	
6.7	721 WITT RD GIRLS SOFTBALL PAVILION	FRANKLIN	KY	42134	
6.8	721 WITT RD BATHROOMS	FRANKLIN	KY	42134	
6.9	721 WITT RD SOCCER 4 DUGOUTS	FRANKLIN	KY	42134	
6.10	721 WITT RD SOCCER PAVILION	FRANKLIN	KY	42134	
6.11	721 WITT RD LIGHT POLES SOCCER	FRANKLIN	KY	42134	
6.12	721 WITT RD GIRLS SOFTBALL CONCESSIONS	FRANKLIN	KY	42134	
6.13	721 WITT RD LIGHT POLES SOFTBALL	FRANKLIN	KY	42134	
6.14	721 WITT RD PROPERTY IN THE OPEN #2	FRANKLIN	KY	42134	
7.1	201 COMMERCE ST BUS GARAGE	FRANKLIN	KY	42134	
7.2	201 COMMERCE ST WORK BAY #1	FRANKLIN	KY	42134	

DRAFT

DECLARATIONS (Continued)

Loc #	Address	City	State	Zip	Country
7.3	201 COMMERCE ST WORK BAY #2	FRANKLIN	KY	42134	
7.4	201 COMMERCE ST WORK BAY #3	FRANKLIN	KY	42134	
8.1	400 S COLLEGE ST LOPC - WEST CAMPUS	FRANKLIN	KY	42134	
8.2	400 S COLLEGE ST VOCATIONAL SCHOOL	FRANKLIN	KY	42134	
8.3	400 S COLLEGE ST PROPERTY IN THE OPEN	FRANKLIN	KY	42134	
8.4	400 S COLLEGE ST MAINTENANCE BUILDING	FRANKLIN	KY	42134	
8.5	400 S COLLEGE ST PAINT SHOP	FRANKLIN	KY	42134	
8.6	400 S COLLEGE ST EXPLORATORIUM	FRANKLIN	KY	42134	
8.7	400 S COLLEGE ST GREENHOUSE #2	FRANKLIN	KY	42134	
8.8	400 S COLLEGE ST GREENHOUSE #3	FRANKLIN	KY	42134	
8.9	400 S COLLEGE ST GREENHOUSE (HIGH/MIDDLE SCHOOL)	FRANKLIN	KY	42134	
8.10	400 S COLLEGE ST NEW HIGH SCHOOL GYM	FRANKLIN	KY	42134	
8.11	400 S COLLEGE ST FRANKLIN-SIMPSON HIGH SCHOOL	FRANKLIN	KY	42134	
8.12	400 S COLLEGE ST LIGHT POLES/HIGH SCHOOL	FRANKLIN	KY	42134	
8.14	400 S COLLEGE ST PERFORMING ARTS CENTER	FRANKLIN	KY	42134	

DRAFT

DECLARATIONS (Continued)

Loc #	Address	City	State	Zip	Country
9	320 S COLLEGE ST	FRANKLIN	KY	42134	

DRAFT

COVERAGES

A. If coverage for **real property** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for a **covered loss** to **your real property** at or within one-thousand (1,000) feet of a **covered location**.

B. If coverage for **personal property** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for a **covered loss** to **your personal property**, including **personal property of others** and **valuable papers and records**, at or within one-thousand (1,000) feet of a **covered location**.

C. If coverage for loss of **business income** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for:

1. The actual loss of **business income you** incur during a **period of restoration** directly resulting from damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.

2. The necessary expenses **you** incur in excess of **your** normal operating expenses that reduces **your** loss of **business income**. **We** will not pay more than **we** would pay if **you** had been unable to make up lost production or continue operations or services.

3. The actual loss of **business income you** incur if **you** are denied access to a **covered location** by order of civil or military authority if:

a. the order results from a **covered loss**; or

b. the order results from damage by a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

4. The actual loss of **business income you** incur if **your** ingress to or egress from a **covered location** is prevented as the direct result of a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date **your** ingress or egress is first prevented.

5. In determining the actual loss of **business income**, consideration must be given to:

a. The experience of the business before the loss and the probable experience after the loss;

b. The continuation of only those normal charges and expenses that would have been incurred had no interruption of production or suspension of business operations or services happened;

c. The demonstration of an actual loss of sales, income, or rental income; and

d. Any amount recovered, at selling price, for loss or damage to merchandise that will be considered to have been sold.

6. **We** will not pay unless **you** are wholly or partially prevented from:

a. producing goods; or

b. continuing business operations or services.

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

COVERAGES (Continued)

7. **You** are required to mitigate **your** loss by:

a. Making up lost production within a reasonable period of time not limited to the **period of restoration**.

b. Continuing business operations or services during the **period of restoration**.

c. Using any property or service:

(1) owned or controlled by **you**; or

(2) obtainable from any other sources.

d. Working extra time or overtime.

e. Using inventory.

We will not pay for any loss to the extent it can be reduced through these or any other means whether at a **covered location** or any other location.

8. **We** will not pay for:

a. Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:

(1) physical damage not insured under this policy on or away from the **covered location**;

(2) planned or rescheduled shutdown or maintenance;

(3) strikes or other work stoppage; or

(4) any reason other than a **covered loss**.

b. Any increase in loss due to:

(1) suspension, cancellation or lapse of any lease, contract, license or order.

(2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.

c. Any consequential, indirect or remote loss.

d. Any loss resulting from damage to:

(1) finished goods manufactured by **you**, nor for the time required for their reproduction.

(2) property in **transit**.

e. Any loss or expense recoverable elsewhere in this policy.

9. The most **we** will pay for a loss under this coverage is the lesser of:

a. **Your** actual loss of **business income** and necessary expense; or

b. The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.

SPECIMEN

COVERAGES (Continued)

D. If coverage for **extra expense** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for:

1. The actual **extra expense you** incur during a **period of restoration** directly resulting from damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.

2. The actual **extra expense you** incur if **you** are denied access to a **covered location** by order of civil or military authority if:

a. the order results from a **covered loss**; or

b. the order results from damage by a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

3. **We** will not pay for:

a. Loss of **business income**.

b. Costs which would have been incurred in conducting **your** business during the same period had no **covered loss** happened.

c. The cost of permanent repair or replacement of property that has been damaged or destroyed.

d. Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:

(1) physical damage not insured under this policy on or away from the **covered location**;

(2) planned or rescheduled shutdown or maintenance;

(3) strikes or other work stoppage; or

(4) any reason other than a **covered loss**.

e. Any increase in loss due to:

(1) suspension, cancellation or lapse of any lease, contract, license or order.

(2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.

f. Any consequential, indirect or remote loss.

g. Any loss resulting from damage to:

(1) finished goods manufactured by **you**, nor for the time required for their reproduction.

(2) property in **transit**.

h. Any loss or expense recoverable elsewhere in this policy.

DRAFT

4. The most **we** will pay for a loss under this coverage is the lesser of:

a. **Your** actual **extra expense**; or

b. The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.

E. If coverage for equipment breakdown is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, the following provisions apply to loss or damage that results from or is caused by an **accident** to a covered **object**:

1. Exclusions **B. 8., B. 9., B. 10.** and **B. 11.** in EXCLUSIONS, Form RM1003, do not apply to a **covered loss** that result from an **accident** to covered **object(s)**.

2. **We** will pay if an **accident** to covered **object(s)** causes:

a. Loss to property **you** own;

b. Loss to the property of others in **your** care, custody or control and for which **you** are legally liable.

3. If direct loss or damage to an electrical **object(s)** results from the peril of **flood we** will pay for the amount **you** actually expend to dry out the **object(s)**.

Our payment to **you** will:

a. Be subject to the applicable direct damage **limit of liability** and deductible as shown in **F. 1.** and **G. 2.** of the DECLARATIONS, Form RM1000, for damage to covered **object(s)**; and

b. Not exceed the value of the damaged **object(s)**.

DRAFT

EXTENSIONS OF COVERAGE

A. Standard Extensions of Coverage

In the event of a **covered loss**, the coverage provided by this policy is extended as follows:

1. Accounts Receivable

a. **We** will pay up to a **limit of liability** of $100,000 for the following expenses **you** incur directly resulting from loss or damage by a **peril insured against** to **your** records of accounts receivable at a **covered location**:

(1) Amounts due **you** from customers that **you** are unable to collect;

(2) Interest charges on any loan to offset amounts **you** are unable to collect, pending **our** payment of those amounts;

(3) Collection expense above **your** normal collection expense; and

(4) Reasonable expenses **you** incur to reestablish **your** records of accounts receivable.

b. For the purposes of this extension of coverage, the following additional exclusions apply and **we** will not pay for:

(1) Any loss that requires an audit or inventory to establish its existence;

(2) Any fraudulent, dishonest or criminal act done by:

(a) Anyone entrusted with the accounts receivables, including their employees and agents; or

(b) Anyone having an interest in the accounts receivable.

This exclusion does not apply to the acts of a carrier for hire.

(3) Bookkeeping, accounting, or billing errors or omissions.

(4) Wrongful alteration, falsification, manipulation, concealment, destruction, or disposal of records of accounts receivable, committed to conceal the wrongful giving, taking, getting, or withholding of money, securities, or other property.

c. When records of accounts receivable have been damaged or destroyed, **you** must use all reasonable efforts, including legal action if necessary, to obtain collection of any outstanding accounts receivable, and **we** will pay such costs and expenses of obtaining collection to the extent they reduce **your** loss.

d. When records of accounts receivable have been damaged or destroyed, **you** will use any property or service owned or controlled by **you** or obtainable from other sources in order to reduce **your** loss.

e. If **you** are unable to accurately determine the amount of outstanding accounts receivable at the time of loss, **our** payment will be calculated in the following manner:

Your average monthly accounts receivable amount, based on the twelve (12) months preceding the loss, adjusted for normal fluctuations in the month in which the loss occurs, or for any demonstrated variance for that month.

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

f. The following will be deducted from the total amount of accounts receivable, regardless of the method used to determine that amount:

(1) Balances for accounts not damaged or affected by the loss;

(2) Amounts of accounts **you** are able to reestablish and collect;

(3) An allowance for bad debts **you** are not normally able to collect; and

(4) All unearned interest and service charges.

2. Arson Reward

If one (1) or more **covered losses** are caused by or result from any fires of a suspicious nature, **we** will pay a $25,000 reward to an individual or individuals provided:

a. The individual(s) report(s) the suspected arsonist to local law enforcement officials; and

(1) The arsonist is apprehended, brought to trial, and convicted of arson to **your covered property**; or

(2) The arsonist is apprehended, confesses and/or pleads guilty to arson to **your covered property** without going to trial.

b. **Our** payment of this reward will not be increased by:

(1) The number of individuals reporting the arsonist(s);

(2) The number of arsonists involved in the **covered loss**; or

(3) The number of **covered losses**.

No deductible applies to this extension of coverage.

3. Computer Virus and Denial of Access

We will pay up to $25,000 for loss or damage to, or any cost, claim or expense caused by or resulting directly or indirectly from any of the following, regardless of any other cause or event that contributes to the loss, damage, cost, claim or expense at the same time or in any sequence:

a. The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:

(1) **Data processing equipment**, **software**, **data**, or **media**;

(2) Information repository;

(3) Hardware or **software** based computer operating systems;

(4) Microprocessors;

(5) Integrated circuits;

(6) Computer networks;

(7) Website service; or

(8) Any other electronic equipment, computerized equipment, or similar device.

b. A change in the functionality, availability, operation, use of accessibility to or operation of any of the items described in **3. a. (1) - (8)** above.

4. Debris Removal Expense

a. **We** will pay for the expense to remove the debris from a **covered loss**. **We** will only pay these expenses if **we** receive immediate written notice of the **covered loss** and if these expenses are reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.

b. Debris removal expense is limited to a sublimit of liability of $250,000.

c. **We** will pay up to $25,000 for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.

d. Debris removal expense does not include any costs to clean up or remove **pollutants**, **fungus**, bacteria, wet or dry rot, or decay.

5. Deferred Payments

a. **We** will pay up to a sublimit of liability of $25,000 for the uncollectable, unpaid balance owed **you** for direct physical loss or damage caused by or resulting from a **peril insured against** to **personal property** of the type covered by this policy that was sold by **you** under a conditional sale or trust agreement or any installment or deferred payment plan after the **personal property** has been delivered to **your** client and is now in their care, custody and control.

b. In the event of loss or damage caused by or resulting from a **peril insured against** to **personal property** sold under any of the payment plans shown in **5. a.** above, **you** will use all reasonable effort, including legal action against **your** client, to:

(1) Collect any outstanding balance due **you**; or

(2) Regain possession of the **personal property**.

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

(1) A recall of **your** product. This includes but is not limited to **your** cost to recall, test or to advertise the recall.

(2) Theft or conversion of **your personal property** sold under any payment plan shown in **5. a.** above by **your** client after they have taken possession of the **personal property**.

d. This extension of coverage only applies to **your personal property** sold under any of the payment plans shown in **5. a.** above that is located within the territory of this policy.

e. Coverage provided by this extension does not apply if **your** client continues with their payments.

6. Duty to Defend

We will defend that part of any suit against **you** involving **personal property of others** when all of the following conditions exist:

DRAFT

a. The suit seeks payment for physical loss or damage to the **personal property of others**; and

b. The physical loss or damage is caused by a **peril insured against**; and

c. The physical loss or damage takes place while the **personal property of others** is in **your** custody; and

d. The **personal property of others** is the type of property covered by this policy.

We will do so even if such suit is groundless, false or fraudulent, but **we** may, without prejudice, make such investigation, negotiation and settlement of any claim or suit, as **we** deem appropriate.

7. Extended **Period of Restoration**

a. If loss of **business income** coverage is provided, **we** will pay the actual loss of **business income you** sustain due to a reduction in sales, earnings or rental income that directly results from direct physical loss or damage to **your covered property** by a **peril insured against**, for the additional time required, when **you** use reasonable speed, to restore **your** business to the condition it would have been in if no loss had occurred. This additional time starts with the time when the **period of restoration** would end, and continues for no more than sixty (60) consecutive days immediately following the **period of restoration**.

b. This extension of coverage does not apply if **you** elect not to either repair or replace **your covered property**, or to resume the operation of **your** business. For purposes of this extension of coverage the exclusions and restrictions in this policy regarding loss of **your** market share do not apply to any claim made under this extension of coverage.

8. Fire Department Charges

We will pay charges **you** incur when the fire department is called to save or protect **covered property** from a **covered loss**.

9. Fine Arts

We will pay up to a sublimit of liability of $100,000 for **covered loss** to **your fine arts**. **We** will not however pay for:

a. Loss or damage sustained from any repair, restoration, or retouching process;

b. Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and or attempted theft, windstorm, **earth movement**, **flood**, explosion, vandalism, collision, derailment or overturn of conveyance; or

c. Loss or damage to **your fine arts** while away from a **covered location**.

10. Fungus Cleanup Expense

a. If **fungus** results from a **covered loss** due to fire or lightning, **we** will pay up to the applicable **limit of liability** for the cost and expense:

(1) To remove **fungus** from **covered property** at a **covered location**;

(2) To repair or replace any undamaged portion of **covered property** at a **covered location** that must be removed to gain access to **fungus** in order to remove it; and

(3) To test for the presence of **fungus** on **covered property** at a **covered location** after **fungus** has been removed as provided by this extension.

EXTENSIONS OF COVERAGE (Continued)

b. If **fungus** results from a **covered loss** due to a **peril insured against** other than fire or lightning, **we** will pay up to $250,000 for the costs and expenses outlined in **10. a. (1) – (3)** of this extension of coverage.

c. In order for this extension of coverage to apply **we** must receive immediate written notice of the **covered loss**, and these costs and expenses must be reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.

d. The removal and testing for **fungus** does not include any costs to remove **pollutants**.

11. Installation of **Personal Property** or **Personal Property of Others**

We will pay up to $250,000 for direct physical loss or damage by a **peril insured against** to **your personal property**, or **personal property of others**, which **you** have sold under an installation agreement, if **your** responsibility continues until the purchaser accepts the installation. Installation coverage applies to any non-owned location within the policy territory.

12. Lock and Key Replacement

a. When a master key or grand master key is lost or damaged from a **covered loss**, **we** will pay the lesser of:

(1) The actual cost to replace keys;

(2) The cost to rekey or reprogram the current locks to accept new keys; or

(3) When needed, new locks including the installation and reprogramming of the new locks.

b. The most **we** will pay in any one (1) **occurrence** for this extension of coverage is a sublimit of liability of $25,000.

13. **Personal Property** of Employees

We will pay for loss or damage by a **peril insured against** to the **personal property** (other than vehicles) of **your** employees when such property is at a **covered location** or being used by the employee in the course of employment. **We** will not pay for any loss or damage to such property that occurs at the employee's residence.

14. Plants, Trees or Shrubs

We will pay up to a sublimit of liability of $100,000 for a **covered loss** to plants, trees and shrubs, however loss or damage caused by freezing, disease or drought is excluded.

15. **Pollution** Cleanup Expense

a. **We** will pay to remove **pollutants** from **covered property** at a **covered location** if the **pollution** results from a **specified peril**, subject to the applicable **limit of liability**.

b. **We** will pay up to an annual aggregate **limit of liability** of $25,000 to remove **pollutants** from **covered property** at a **covered location**, if the **pollution** results from a **peril insured against** other than a **specified peril**.

c. If **pollution** results from a **peril insured against**, **we** will pay up to an annual aggregate **limit of liability** of $25,000:

(1) To remove **pollutants** from land, soil, surface or ground water upon, within, beneath or comprising a **covered location**; or

(2) For testing performed in the course of extracting the **pollutants** from **covered locations**.

DRAFT

We will pay for removal or testing after a **covered loss** that occurs during the **policy period**.

We will only pay these expenses if **we** receive immediate written notice of the **covered loss** and if these expenses are reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.

16. Professional Fees

a. **We** will pay up to $25,000 for the reasonable costs **you** incur, for auditors, architects, accountants and engineers whom **you** hire to prepare and verify the details of a claim from a **covered loss**.

b. Professional fees covered under this extension, however, do not include:

(1) any fees or expenses of attorneys;

(2) any fees or expenses of public adjusters or any of their subsidiaries or associated entities;

(3) fees based on a contingency; or

(4) the cost of **your** own employees.

17. Removal

a. **We** will pay the reasonable and necessary costs or expenses **you** incur:

(1) to remove **covered property** from locations under imminent threat by a **peril insured against**; and

(2) to return the **covered property** to the original location it had been removed from once the danger by a **peril insured against** has ended.

b. When **covered property** has been removed for this reason, it will be insured against loss or damage from a **peril insured against** at the temporary location according to the following terms:

(1) For up to ninety (90) days at each place to which the property has been taken for preservation;

(2) The applicable **limit of liability** will apply to each temporary location on a pro rata basis, based on the value **your covered property** stored at that location bears to the total value of **covered property** originally insured at the location under imminent threat.

The sublimits of liability, rewards or other amounts payable under these standard extensions of coverage do not increase and are not in addition to any other applicable **limit of liability**.

B. Optional Extensions of Coverage

These extensions of coverage apply only if the applicable sublimit of liability is shown in **E.** Optional Extensions of Coverage – Sublimits of Liability of the DECLARATIONS, Form RM1000.

1. Course of Construction

a. **We** will pay for direct physical loss or damage to **real property** of the type insured by this policy, including new additions and buildings at an existing **covered location**, that **you** begin to construct during the **policy period**.

(1) This coverage only applies for sixty (60) days from the date **you** begin construction.

DRAFT

(2) To continue this coverage beyond the sixty (60) days, **you** must:

(a) Report newly constructed **real property** to **us** prior to the end of that sixty (60) day period; and

(b) Pay premium from the date **you** begin construction.

b. **We** will also pay under this extension of coverage for materials, supplies, machinery, equipment and fixtures, including those that are **personal property of others**, which are:

(1) Intended by **you** for use in construction; and

(2) Located on the construction site awaiting use in construction.

c. This coverage only applies to the construction of **real property you** intend to own or occupy once constructed.

2. Errors and Omissions

If a **covered loss** is not payable under this policy solely because of an error or unintentional omission made by **you**:

a. In the description of where **covered property** is physically located;

b. To include any location:

(1) owned, rented or leased by **you** on the **effective date** of this policy; or

(2) purchased, rented or leased by **you** during the term of the policy; or

c. That results in cancellation of the property insured under this policy, except for cancellation due to nonpayment of premium.

Then **we** will pay the amount **we** would have paid had the error or omission not been made, but not exceeding the **limit of liability** provided for Errors and Omissions shown on the DECLARATIONS, Form RM1000.

This coverage does not apply, however, if coverage is found, in whole or in part, elsewhere in this policy.

3. Exhibitions, Expositions, Fairs or Trade Shows

We will pay for loss or damage to **your personal property** while at an exhibition, exposition, fair or trade show.

Coverage also applies while **your personal property** is being transported between a **covered location** and the location of the exhibition, exposition, fair or trade show.

4. Miscellaneous Locations

Miscellaneous locations are insured for coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

5. New Locations

a. **New locations** are insured for coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement for the period of time specified in **E. 4. h.** of the DECLARATIONS, Form RM1000.

b. To continue this coverage beyond the time frame specified, **you** must:

(1) Report **new locations** to **us** prior to the end of the period specified on the DECLARATIONS, Form RM1000; and

(2) Pay premium from the date **you** purchase or rent these **new locations**.

6. Demolition Cost, Increased Construction Cost and Operation of Building Laws

a. In the event of a **covered loss**, **we** will pay:

(1) Demolition Cost

The cost incurred to demolish all or part of **your covered real property**, including the cost to clear the site, if any law or ordinance that exists at the time of loss requires such demolition.

(2) Increased Construction Cost

The increased cost **you** incur for materials and labor required to rebuild the damaged portion of **your real property** at the same location and in a manner that satisfies the minimum requirements of the applicable law or ordinance existing at the time of the loss.

(3) Operation of Building Laws

The cost **you** incur to rebuild at the same location any undamaged part of **your real property** that is required by law to be demolished after a **covered loss**, excluding any costs associated with demolition. **We** will only pay the costs to satisfy the minimum requirements of the applicable law or ordinance that exists at the time of the loss.

b. **We** will not pay for any of these costs:

(1) Unless they are incurred within two (2) years from the date of loss.

(2) If they are incurred due to any law or ordinance that:

(a) **You** were required to comply with before the loss, even if the building was undamaged; and

(b) **You** failed to comply with.

(3) If they are associated with any demolition, abatement, removal, cleanup, debris removal, repair, monitoring or testing, increased cost of repair or other cost resulting from enforcement of any such law or ordinance which relates to **pollution**, **fungus**, bacteria, wet or dry rot, or decay.

7. Salespeople

a. **Your** covered **personal property** in the custody of salespeople.

b. Coverage does not apply to loss or damage by theft from the salespersons vehicle unless:

(1) The vehicle is equipped with a fully enclosed body or compartment;

(2) The doors, windows and hatches were securely locked; and

(3) There are visible signs of forced entry to the vehicle

at the time of loss.

8. Transit

Your covered **personal property** while in **transit**.

This extension of coverage also applies to **personal property of others** while in **transit** at **your** risk, but does not apply if **you** are acting as a common or contract carrier.

9. Unscheduled Locations

Unscheduled locations are insured for coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

The sublimits of liability or amounts payable under these optional extensions of coverage do not increase and are not in addition to any other applicable **limit of liability**.

DRAFT

EXCLUSIONS

A. GROUP A EXCLUSIONS

We will not pay for loss or damage caused by or resulting from any of the following, regardless of any other cause or event, including a **peril insured against**, that contributes to the loss at the same time or in any other sequence:

1. Loss attributable to:

a. War, including undeclared or civil war; or

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, including action taken by a governmental authority in hindering or defending against any of these

whether or not involving the use of any chemical, biological or nuclear substance.

2. **Earth movement**, whether sudden or gradual.

a. If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.

b. This exclusion does not apply to **covered property** in **transit**.

c. This exclusion does not apply to **sinkhole collapse** or **volcanic activity**.

3. **Flood**.

a. If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.

b. This exclusion does not apply to **covered property** in **transit**.

4. **Fungus**, bacteria, wet or dry rot, decay.

If a loss to **covered property** from a **specified peril** ensues, **we** will pay for that loss.

5. **Pollution**.

6. Demolition cost, operation of building laws and increased cost of construction including the enforcement of any ordinance or law regulating the use, construction, repair or demolition of buildings or structures.

7. Seizure or destruction of **covered property** by government order.

We will pay for loss to **covered property** resulting from acts of destruction ordered by government to prevent the spread of fire.

8. Nuclear reaction or nuclear radiation, or radioactive contamination.

If a loss to **covered property** by fire ensues, **we** will pay for that loss unless otherwise limited or excluded elsewhere in this policy, including any limits or exclusions applicable to terrorism.

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

EXCLUSIONS (Continued)

9. Interference with or interruption of any public or private utility or any entity providing electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, sewer or fuel service or any other service, if the failure occurs away from the **covered location**.

If a **covered loss** ensues, **we** will pay for that loss.

10. The actual or suspected presence or threat of any virus, organism or like substance that is capable of inducing disease, illness, physical distress or death, whether infectious or otherwise, including but not limited to any epidemic, pandemic, influenza, plague, SARS or Avian Flu.

11. Except as shown in **A. 3.** Standard Extensions of Coverage of EXTENSIONS OF COVERAGE, Form RM1002, loss attributable to:

a. The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:

(1) **Data processing equipment**, **software**, **data**, or **media**;

(2) Information repository;

(3) Hardware or **software** based computer operating systems;

(4) Microprocessors;

(5) Integrated circuits;

(6) Computer networks;

(7) Website service; or

(8) Any other electronic equipment, computerized equipment, or similar device.

b. Programming, operation or operator error of any of the items described in **11. a. (1) - (8)**.

c. Incompatibility, or the inability to properly interface between any of the items described in **11. a. (1) - (8)**.

d. A change in the functionality, availability, operation, use of, accessibility to or operation of any of the items described in **11. a. (1) - (8)**.

e. Inability, failure or malfunction of the items as described in **11. a. (1) - (8)** or any services, functions, or products that use or rely upon in any manner one (1) or more of the items as described in **11. a. (1) - (8)** to correctly recognize, distinguish, interpret, process, provide or accept **data** or one (1) or more dates or times.

f. Advice, consultation, evaluation, design, inspection, installation, repair, replacement or maintenance done by **you** or for **you** to determine or correct any conditions or problems described by in **11. a. - e.**

If loss to **covered property** by any of the following perils ensues, **we** will pay for that loss;

a. Fire;

b. Explosion; or

c. Leakage or accidental discharge from automatic fire protection system.

However, **we** will not pay for modification, repair or replacement of systems or devices described in **11. a. (1) - (8)** in order to correct any potential or actual deficiencies or to change any features.

DRAFT

EXCLUSIONS (Continued)

B. GROUP B EXCLUSIONS

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

1. Unexplained or mysterious disappearance of any property.

2. Shortage of property discovered on taking inventory.

3. Theft by employees, whether acting alone or with others.

4. Any criminal, fraudulent or dishonest acts committed alone or in collusion with others:

a. By **you**;

b. By any of **your** associates, proprietors, partners, directors, trustees, officers, agents, employees or representatives; or

c. By any person or entity to whom **you** or any of **your** associates, proprietors, partners, directors, trustees, officers, agents, employees or representatives voluntarily relinquishes possession of **covered property** with or without **your** authority.

However, acts of destruction, including vandalism, by employees to **covered property** shall not be subject to this exclusion.

5. Manufacturing or processing operations, which result in damage to stock or materials while the stock or materials are being processed, manufactured, worked on or tested.

If a **covered loss** ensues, **we** will pay for that loss.

6. Delay, loss of market, loss of use, indirect or remote loss or damage.

7. Loss attributable to:

a. Wear and tear, deterioration, depletion, erosion, rust, corrosion;

b. Inherent vice, latent defect, or any quality in the **covered property** that causes it to damage or destroy itself;

c. Smog, acid rain, agricultural smudging;

d. Smoke, fumes, gas or vapor that result from industrial operations;

e. Settling, cracking, shrinking, bulging or expansion of pavements, foundations, walls, floors, roofs or ceilings, retaining walls or outdoor swimming pools;

f. Animals, birds, vermin, rodents or insects;

g. Change or extremes in temperature or humidity, whether atmospheric or not, except damage to equipment; or

h. Contamination, shrinkage, change in taste, texture, finish or color.

If a **covered loss** ensues, **we** will pay for that loss.

8. Failure or breakdown of machinery or equipment, including rupture or bursting caused by centrifugal force.

If a **covered loss** ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to **data**, **data processing equipment** or **software**.

DRAFT

EXCLUSIONS (Continued)

9. Explosion of the following:

a. Steam boilers;

b. Steam turbines, steam engines, steam piping, electric steam generators; or

c. Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

10. Rupture, bursting, cracking, burning or bulging of the following:

a. Steam boilers;

b. Steam turbines, steam engines, steam piping, electric steam generators;

c. Hot water boilers or other equipment for heating water;

d. Pressure vessels; or

e. Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

11. Any electrical injury or disturbance to electrical appliances, devices, fixtures, wiring or other electrical or electronic equipment caused by electrical currents artificially generated.

If a fire or an explosion loss ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to:

a. **Data** or **software** caused by injury, disturbance, or erasure resulting from electricity or magnetic fields; or

b. **Data processing equipment** caused by short circuit, blowout, or other electrical damage.

12. Loss attributable to faulty, defective or inadequate:

a. Construction, workmanship or material;

b. Maintenance;

c. Design, plan or specification;

d. Developing, surveying or siting of buildings or structures during the course of construction or alterations.

If a **covered loss** ensues, **we** will pay for that loss.

13. Loss or damage to bulkheads, piers, wharves, docks, seawalls or jetties from freezing or thawing, impact of watercraft, or by the pressure or weight of ice or water whether driven by **wind** or not.

14. Acts or decisions, including the failure to act or decide, of any governmental employee, agent, group, organization, agency or body.

If a **covered loss** ensues, **we** will pay for that loss.

DRAFT

PROPERTY NOT COVERED

We do not cover loss to:

A. Aircraft;

B. Animals;

C. Bridges or tunnels, however pedestrian walkways connecting buildings are covered;

D. Caves, caverns, mines of any type, or any property contained within them;

E. Contraband or property in the course of illegal transportation or trade;

F. Currency, money, securities and negotiable instruments of any kind;

G. Dams, dikes, levees;

H. Furs, jewelry;

I. Locomotives, including rolling stock;

J. **Mobile equipment or tools**, when more than one-thousand (1,000) feet away from a **covered location**;

K. Precious metal, except when used in industrial or service operations;

L. Precious stones, except when used in industrial or service operations;

M. Property insured under import or export ocean cargo policies;

N. Property **you** transport as a common or contract carrier;

O. Property shipped by mail, unless sent registered or certified;

P. Vehicles, licensed for highway use, when more than one-thousand (1,000) feet away from a **covered location**. If **your** vehicles, licensed for highway use, are covered for physical damage by other insurance, **you** agree that such other insurance is considered **your** primary coverage for any loss or damage that occurs;

Q. Water, land, including land on which **covered property** is located, lawns, growing crops, or standing timber;

R. Watercraft, except watercraft that is part of **your** inventory while being stored un-fueled and on dry land at a **covered location**.

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

VALUATIONS

A. Replacement Cost

1. Loss or damage to **covered property** will be valued at the time and place of the loss at **replacement cost** unless otherwise indicated in **B.** and **C.** below or by other forms or endorsements attached to this policy.

2. **We** will not pay **replacement cost** until the lost or damaged property is actually repaired or replaced. If repairs or replacement are not made within two (2) years after the date of the physical loss **we** will pay only the **actual cash value** amount.

   a. **Our** obligations for **replacement cost** will be the smaller of:

      (1) The cost to repair the damaged property; or

      (2) The cost to replace or rebuild with new materials of like size, kind and quality; or

      (3) The selling price of **your real property** or **personal property**, other than stock, that is offered for sale, less all saved expenses; or

      (4) The amount of **your** legal liability to the owner of **personal property of others**; or

      (5) The applicable **limit of liability**.

   b. **We** will not pay for any increase in cost due to **your** failure to use reasonable speed to repair, rebuild or replace the damaged property.

   c. If the replacement occurs at another location, **we** will not pay for the cost of land at either the original or the **new location**.

3. If **you** elect not to rebuild **your real property** after a **covered loss**, **you** may still make claim for the **covered loss** to **your real property** at **replacement cost**, excluding any amounts for demolition or increased cost of construction, provided;

   a. **you** actually spend those funds on capital expenditures to improve **real property** at **covered locations** within the policy territory;

   b. those capital expenditures were not planned as of the date of loss; and

   c. **you** make claim for the expenditure of these funds within two (2) years of the date of loss.

4. If an **object** requires replacement due to an **accident**, **we** will pay **your** additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

   However, **we** will not pay more than one-hundred twenty-five (125) percent of what the cost would have been to repair or replace the **object(s)** with like kind and quality.

   This does not apply to any property subject to valuation based on **actual cash value**, nor does this provision increase any other applicable **limit of liability**.

The **period of restoration** will not be increased by any of the above.

B. Actual Cash Value

Loss or damage to these types of **covered property** will be valued at **actual cash value** at the time and place of loss:

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

VALUATIONS (Continued)

a. Manuscripts;

b. **Mobile equipment or tools**; and

c. Vehicles licensed for highway use.

C. Other Valuations

Loss or damage to these types of **covered property** will be valued at the time and place of loss as follows:

1. Exposed film

The value of unexposed film of the same type and quality.

2. **Fine Arts**

a. The lesser of the:

(1) Reasonable or necessary restoration or repair costs needed to return the damaged article(s) to its condition as of the time of loss;

(2) Cost to replace the damaged article;

(3) Value specified for an article(s) if shown on a schedule of **fine arts** on file with **us**, or

(4) Value specified for an article(s) if shown on the schedule of any form or endorsement attached to this policy.

b. In the event of the total loss of an article or articles which are a part of a pair or set, **we** will pay **you** the full amount of the value of such set as determined in **C. 2. a.** above and **you** will surrender the remaining article or articles of the set to **us**.

3. Finished goods manufactured by **you**

The regular cash selling price at the location where the loss happens, less all discounts and charges to which the merchandise would have been subject had no loss occurred.

4. **Media**, **data**, programs or any **software** stored on electronic, electromechanical, electromagnetic **data processing equipment** or production equipment.

The cost of transferring such from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost of restoring or recreating lost information.

5. Stock in process

The value of raw materials and labor expended plus the proper proportion of overhead charges.

6. **Valuable papers and records**

The value blank, plus the cost of copying from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost, of restoring or recreating lost information.

DRAFT

CONDITIONS

A. Abandonment of Property

You may not abandon property to **us**.

B. Appraisal

1. If **you** fail to agree with **us** on the amount of a loss, either party may demand that the disputed amount be submitted for appraisal. A demand for appraisal will be made in writing within sixty (60) days after **our** receipt of proof of loss. Each party will then choose a competent and disinterested appraiser. Each party will notify the other of the identity of its appraiser within thirty (30) days of the written demand for appraisal.

2. The two (2) appraisers will choose a competent and disinterested umpire. If the appraisers are unable to agree on an umpire within fifteen (15) days, **you** or **we** may petition a judge of a court of record in the state where the **covered loss** happened, to select an umpire.

3. The appraisers will then set the amount of the loss or damage. If the appraisers submit a written report of an agreement to **you** and **us**, the amount they agree on will be the amount of **our** payment for the loss or damage. If the appraisers fail to agree within a reasonable time, they will submit their differences to the umpire. Written agreement signed by any two (2) of these three (3) will set the amount of loss or damage.

4. Each appraiser will be paid by the party that selects him or her. Other expenses of the appraisal and compensation of the umpire will be paid equally by **you** and **us**.

C. Assignment

Your assignment of this policy will not be valid except with **our** written consent.

D. Brands and Labels

In the event of a **covered loss** to branded or labeled merchandise, **we** may choose to take title to all or any part of that merchandise, at the value established by the terms of this policy. **You** may, at **your** expense:

1. Stamp "salvage" on the merchandise or its containers; or

2. Remove or obliterate the brands or labels if such removal or obliteration will not physically damage the merchandise. **You** must re-label the merchandise or containers in compliance with the requirements of law.

E. Breach of Condition

A breach of any condition of this policy at any **covered location** will not affect coverage at any other **covered location** where, at the time of loss or damage, no breach exists.

F. Cancellation

1. **You** may cancel this policy by mailing or delivering to **us** advance written notice of cancellation.

2. If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy **we** issued, **we** may cancel this policy for any reason by giving **you** written notice of cancellation at least:

a. Ten (10) days before the date of cancellation if **we** cancel for nonpayment of premium; or

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

b. Sixty (60) days before the date of cancellation if **we** cancel for any other reason.

3. If this policy has been in effect for sixty (60) days or more or is a renewal of a policy **we** issued, **we** may cancel this policy by giving **you** written notice of cancellation at least:

a. Ten (10) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:

(1) Nonpayment of premium;

(2) Conviction of a crime arising out of acts increasing the likelihood of a **covered loss;**

(3) Discovery of fraud or material misrepresentation by **you** in obtaining this policy or in pursuing a claim under this policy;

(4) Discovery of any willful or reckless act or omission by **you** increasing the likelihood of a **covered loss**; or

(5) A determination by the Commissioner of Insurance that continuation of the policy would violate or place **us** in violation of the law.

b. Sixty (60) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:

(1) Physical changes in the property, which increase the likelihood of a **covered loss**;

(2) A material increase in the likelihood of a **covered loss**; or

(3) Loss or decrease of **our** reinsurance covering the insurance provided by this policy.

4. If **we** cancel for nonpayment of premium, **you** may continue the coverage and avoid cancellation by making full payment any time prior to the date of cancellation.

5. Notice of Cancellation will be delivered or sent by;

a. Registered mail;

b. Certified mail; or

c. First-Class mail.

We will mail or deliver the notice to **your** last mailing address known to **us**.

6. Notice of cancellation will state the reason for cancellation, and the effective date of cancellation. The **policy period** will end on that date.

7. If this policy is canceled, **we** will send to **you** any premium refund due. If **we** cancel, the refund will be pro rata. If **you** cancel, the refund will be 90% of pro rata. The cancellation will be effective even if **we** have not yet made or offered a refund.

8. If notice is mailed, proof of mailing will be sufficient evidence of notice.

G. Change of Terms

The terms of this insurance will not be waived, changed, or modified except by written endorsement issued by **us** and which becomes a part of this policy.

Draft

CONDITIONS (Continued)

H. Collection from Others

Payment to **you** for a **covered loss** will be reduced to the extent **you** have collected that loss from others.

I. Concealment, Misrepresentation or Fraud

This entire policy is void, if with the actual intent to deceive

1. **You**;

2. **Your** representatives; or

3. any insured;

commit fraud or conceal or misrepresent a fact or circumstance concerning

1. This policy;

2. The **covered property**;

3. **Your** interest in the **covered property**; or

4. A claim under this policy.

J. Inspection

1. During the period of this policy, **we** will be permitted, but not obligated, to inspect the **covered property**. Neither **our** right to make inspections, nor making them, nor any report of them, will imply for **you** or others, nor constitute an undertaking, that the **covered property** is safe, healthful, or in compliance with laws, regulations, codes or standards.

2. 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, ofboilers, pressure vessels or elevators.

We will have no liability to **you** or others because of any inspection or failure to inspect.

K. Liberalization

If, during the **policy period** or forty-five (45) days prior to the **policy period**, a filing of **ours** to a state insurance department would broaden this insurance without requiring any additional premium, then the terms and coverage of that filing will apply to **covered locations** and **covered property** within that state, effective on the dates specified within the filing.

L. Loss Payee

In the event of a **covered loss** to property in which both **you** and a loss payee shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, have an insurable interest, **we** will:

1. Adjust the **covered loss** with **you**; and

2. Make payment for the **covered loss** to **you** and the loss payee jointly, as their interests may appear.

DRAFT

CONDITIONS (Continued)

M. Mortgage Holders

1. **We** will pay for **covered loss** to buildings or structures to each mortgage holder shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, as their interests may appear.

2. A mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.

3. If **we** deny **your** claim because of **your** acts or because **you** have failed to comply with the terms of this policy, the mortgage holder will still have the right to receive loss payment, up to the amount of their insurable interest, but in no event more than the applicable **limit of liability**, if the mortgage holder:

a. Pays any premium due under this policy at **our** request;

b. Submits a signed, sworn proof of loss within sixty (60) days after receiving notice from **us** of **your** failure to do so; and

c. Has notified **us** of any change in ownership, occupancy, or substantial change in risk known to the mortgage holder.

All terms and conditions of this policy will then apply directly to the mortgage holder.

4. If **we** pay the mortgage holder for any **covered loss** and deny payment to **you** because **you** have failed to comply with the terms of this policy:

a. The mortgage holder's rights under the mortgage will be transferred to **us** to the extent of the amount **we** pay; and

b. The mortgage holder's right to recover the full amount of the mortgage claim will not be impaired.

In the event of a **covered loss**, **we** will, at **our** option, pay the mortgage holder the whole principal of **your** mortgage plus any accrued interest. In that event, **your** mortgage and note will be transferred to **us**, and **you** will pay **your** remaining mortgage debt to **us**.

5. If **we** cancel or nonrenew this policy, **we** will give the mortgage holder the same notice **we** give to **you**.

6. The term "mortgage holder" includes trustee.

N. No Benefit to Bailee

No person or organization, having custody of **your covered property**, will benefit from this policy.

O. No Reduction by Loss

Except for those coverages written with an annual aggregate **limit of liability** or sublimits of liability, **we** will pay for a **covered loss** without reducing any other applicable **limit of liability** or sublimits of liability.

P. Nonrenewal

1. If **we** decide not to renew this policy, **we** will mail or deliver a written notice of nonrenewal to **you** at least sixty (60) days before the expiration date of this policy. Notice will be sent to **your** last mailing address known to **us**. **We** will state the reason for nonrenewal.

DRAFT

CONDITIONS (Continued)

2. This notice will be delivered or sent by:

a. Registered mail;

b. Certified mail; or

c. First-Class mail.

3. If notice is mailed, proof of mailing will be sufficient evidence of notice.

Q. Other Insurance

1. If there is any other insurance that would apply in the absence of this policy, **we** will pay for a **covered loss** only after the limits of all other applicable insurance are exhausted.

2. If this policy is deemed by law to contribute to a loss with other insurance, **we** will pay only **our** proportionate share of the loss, up to the applicable **limit of liability**. **Our** share will be the proportion that the applicable **limit of liability** of this policy bears to the total applicable **limits of liability** available from all insurance.

3. **You** are permitted to have other insurance over any limits or sublimits of liability specified in this policy.

4. The existence of such insurance will not reduce any limit or sublimit of liability in this policy.

5. To the extent this policy replaces another policy, coverage under this policy shall not become effective until such other policy has terminated.

R. **Our** Options

At **our** option, **we** will repair, rebuild or replace damaged **covered property** with other property of like kind and quality within a reasonable period of time. If **we** elect to repair or replace the **covered property**, **we** will notify **you** of that decision within sixty (60) days of **our** receipt of **your** proof of loss. **We** will, at **our** option, take title to all or any part of the damaged or destroyed property at the agreed or appraised value.

S. Pair, Set or Parts

In the event of a **covered loss** to an article that is part of a pair or set, **our** payment for that loss will be:

1. The cost to repair or replace any part to restore the pair or set to its value before the **covered loss**; or

2. The difference between the value of the pair or set before and after the **covered loss**.

In no event will the loss of part of a pair or set be regarded as a total loss of the pair or set.

When **covered property** consists of several parts, **we** will pay only for the lost or damaged part.

T. Payment of Loss

We will pay the **covered loss** within thirty (30) days after **we** receive and accept the signed, sworn Proof of Loss, if:

1. **You** have complied with all the terms of this policy;

CONDITIONS (Continued)

2. **We** have reached agreement with **you** on the amount of **covered loss**, or

3. An appraisal award is made as provided for in Condition **B.** Appraisal.

U. **Policy Period** and Territory

We will only pay for direct physical loss or damage to **covered property** of the type insured by this policy as the result of a **peril insured against** during the **policy period** shown on the DECLARATIONS, Form RM1000, while the **covered property** is:

1. Within the continental United States of America, Hawaii and Puerto Rico;

2. Being moved on land or in the air within or between the continental United States of America and Canada; or moved on land or in the air within Hawaii or Puerto Rico; or

3. Being moved on inland waters and intercoastal waterways of the continental United States of America, or on any of the Great Lakes.

V. Recovered Property

1. If either **you** or **we** recover any **covered property** after **we** have paid for its loss, that party must give the other prompt written notice of the recovery.

2. If **we** recover the **covered property**, **we** will return it to **you**, if **you** so request. **You** must then return the amount **we** paid to **you** for it.

3. If **you** recover the **covered property**, **you** may either keep it or surrender it to **us**. If **you** choose to keep it, **you** must return the amount **we** paid to **you** for it.

W. Right to Adjust with Owner

1. **Covered losses** will be adjusted with **you** except as provided in Condition **M.** Mortgage Holders.

2. If a claim is made for damage to **covered property** of others, **we** will have the right to adjust that loss or damage with the owners of that property. **Our** payment to the owners will fully satisfy any claim of **yours** for damage to that property.

X. Subrogation

1. If **we** make payment for a loss, **you** will assign to **us** all **your** rights of recovery against any party for that loss. **We** will not acquire any rights of recovery **you** have waived prior to the loss. **You** agree to cooperate and not to waive, prejudice, settle or compromise any claim against any party after the loss has occurred.

2. **You** will be paid any recovery, in the proportion that **your** deductible and any provable uninsured loss bears to the total loss less **your** proportion of fees and expenses.

Y. Suit

No suit or other legal proceeding shall be brought against **us** unless there has been full compliance with all the policy terms and conditions. Any suit against **us** must be brought within two (2) years after the date on which the direct physical loss or damage occurred, or the shortest time permitted by law, whichever is greater.

DRAFT

CONDITIONS (Continued)

Z. Suspension

If Equipment Breakdown is marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and **we** discover a dangerous condition relating to an **object**, **we** may immediately suspend the insurance provided by this coverage for that covered equipment by written notice mailed or delivered to **you** either at **your** address or at the location of any **object**. Suspended insurance may be reinstated by **us**, but only by an endorsement issued as part of this policy. **You** will be credited for the unearned portion of the premium paid for the suspended insurance, pro rata, for the period of suspension. The suspension will be effective even if **we** have not yet made or offered a refund.

A.A. Titles of Paragraphs

The titles of the paragraphs of this policy and of any endorsements attached to it are only for reference. They do not affect the terms to which they relate.

B.B. Vacancy

1. If any of **your real property**:

a. is vacant at the inception of this policy; or

b. becomes vacant, and remains vacant for more than sixty (60) consecutive days, during the **policy period**;

it is a requirement of this policy that **you**:

(1) Notify **us** in writing of the vacancy prior to loss or damage; and

(2) Maintain in complete working order the protective safeguards present prior to the vacancy. Protective safeguards include, but are not limited to:

(a) Automatic sprinkler systems;

(b) Fire alarm systems;

(c) Guard or watchman services;

(d) Burglary systems; and

(e) Monitoring systems.

2. If the above requirements are not met, then in addition to the other terms, conditions, limitations and exclusions in this policy, **we** will:

a. Not pay for any loss or damage caused by or resulting from any of the following:

(1) Breakage of building glass;

(2) **Fungus** (including **fungus** cleanup);

(3) Sprinkler leakage, unless the system has been protected against freezing;

(4) Theft or attempted theft;

(5) Vandalism;

DRAFT

(6) Malicious mischief; or

(7) Water damage.

b. Value the loss or damage for the vacant **real property** (including any loss or damage to **personal property**) at the time of loss at the smaller of:

(1) The **actual cash value**;

(2) The actual cost to repair; or

(3) The selling price, less all saved expenses, if it was being offered or listed for sale at the time of loss.

3. **Real property** is considered vacant unless at least thirty (30) percent of the square footage is:

a. Being used by **you** to conduct **your** customary operations; or

b. Rented by **you** to a tenant or sub-tenant and is being used by them to conduct theircustomary operations.

4. **Real property** is not considered vacant during its ongoing construction or renovation.

C.C. **Your** Duties After a Loss

In case of loss **you** will:

1. Give **us** immediate written notice of the loss;

2. Give notice of such loss to the proper authorities if the loss may be due to a violation of the law;

3. As soon as possible, give **us** a description of the property involved and how, when and where the loss happened;

4. Take all reasonable steps to protect the **covered property** from further damage;

5. Promptly separate the damaged property from the undamaged property, and keep it in the best possible order for examination;

6. Furnish a complete inventory of the lost, damaged and destroyed property, showing in detail the quantity, and amount of loss claimed under the valuation provision of the policy;

7. Keep an accurate record of all repair costs;

8. Keep all bills, receipts and related documents that establish the amount of loss;

9. As often as may reasonably be required:

a. Permit **us** to inspect the damaged property and take samples for inspection, testing and analysis.

b. Produce for inspection and copying, all of **your** books of account, business records, bills and invoices.

c. Permit **us** to question, under oath, **you** and any of **your** agents, employees, or representatives involved in the purchase of this insurance or the preparation of **your** claim, including any public adjusters and any of their agents, employees or representatives, and verify **your** answers with a signed acknowledgment.

DRAFT

CONDITIONS (Continued)

10. Submit to **us**, within ninety (90) days from the date of loss, unless **we** extend the time in writing, a signed, sworn Proof of Loss that states to the best of **your** knowledge and belief:

a. The time and cause of the loss;

b. **Your** interest and the interest of all others in the property involved;

c. Any other policies of insurance that may provide coverage for the loss;

d. Any changes in title or occupancy of the property during the **policy period**; and

e. The amount of **your** claimed loss.

You shall also submit with the Proof of Loss:

a. The inventory referred to in **C.C. 6.**;

b. The records specified in **C.C. 7.** and **C.C. 8.**;

c. Specifications for any damaged building; and

d. Detailed estimates and invoices for the repair of any damage.

11. Cooperate with **us** in the investigation and adjustment of the loss.

DRAFT

DEFINITIONS

A. **Accident** means a sudden, fortuitous event that causes direct physical damage to an **object(s)**, which requires that the **object(s)** be repaired or replaced, in whole or in part.

Accident, however, does not include any of the following:

1. Fire, including water or other means used to extinguish the fire;

2. Combustion explosion. This includes but is not limited to, a combustion explosion of any steam boiler or other fired vessel;

3. Discharge of molten material from equipment including the heat from such discharged material;

4. Depletion, deterioration, rust, corrosion, erosion, settling or wear and tear or any other gradually developing condition;

5. Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance;

6. Lightning;

7. Any loss or damage caused by or resulting from any type of electrical or electronic insulation breakdown test; or

8. Any loss or damage caused by or resulting from any type of hydrostatic, pneumatic or gas pressure test.

B. **Actual cash value** means **replacement cost** less deduction for depreciation.

C. **Average daily value (ADV**) means **your business income** that would have been earned during the **period of restoration** had no loss happened, divided by the number of operating days in that period.

The **average daily value (ADV)** applies to the **business income** value of the entire **covered location** whether or not the loss effects the entire **covered location**. If more than one (1) **covered location** is included in the valuation of the loss, the **average daily value (ADV)** will be the combined value of all **covered locations**.

D. **Business income** means:

Gross earnings, including rental income, plus all other earnings derived from the operation of the business, less all charges and expenses which do not necessarily continue.

For example:

1. Manufacturing operations:

The net sales value of production less the cost of all raw stock, materials and supplies utilized in such production.

2. Mercantile or nonmanufacturing operations:

The net sales less the cost of merchandise sold and materials and supplies consumed in the operations or services rendered by **you**.

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

DEFINITIONS (Continued)

3. Property rental operations:

The total expected gross rental income from tenant occupancy of**your covered location(s)**. This also includes all charges which are the legal obligation of **your** tenants, which would otherwise be **your** obligations, and the fair rental value of any portion of **your covered location(s)** which **you** occupy.

E. **Covered location(s)** means those locations shown on the Schedule of the DECLARATIONS, Form RM1000, or on the Schedule of any endorsement to this policy.

F. **Covered loss** means a loss to **covered property** at a **covered location** resulting from a **peril insured against**.

G. **Covered property** means property insured by this policy.

H. **Data** means any information recorded on **media** and used in **your** processing operations.

I. **Data processing equipment** means processing units, terminals, tape drives, disk drives, controllers, printers, and other equipment capable of receiving, processing, storing or retrieving information.

J. **Earth movement**, whether natural or man-made, includes but is not limited to:

1. Earthquake;

2. Landslide;

3. Mudflow or mudslide; or

4. Sinking, rising or shifting of the earth.

K. **Effective date** means the day and time at which the insurance provided by this policy begins.

L. **Extra expense** means the reasonable and necessary extra costs:

1. Incurred to temporarily continue as nearly normal as practicable the conduct of **your** business; or

2. Of temporarily using property or facilities of **yours** or others.

3. For purposes of applying the above provision "normal" means the condition that would have existed had no **covered loss** happened.

M. **Fine arts** means property of rarity, antiquity, or artistic merit, including but not limited to paintings; etchings; pictures (including their negatives); tapestries; statuary; marbles; bronzes; antique jewelry; antique furniture; antique silver; rare books; porcelains; rare or art glassware; art glass windows; valuable rugs; bric-a-brac and porcelains.

N. **First tier wind Counties and Parishes** means the Counties and Parishes in the States as follows:

Baldwin and Mobile Counties in the State of Alabama;

All Counties in the State of Florida;

Bryan, Camden, Chatham, Glynn, Liberty and McIntosh Counties in the State of Georgia;

DRAFT

The Hawaiian Islands;

Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St Bernard, St Mary, St Tammany, Terrebonne and Vermilion Parishes in the State of Louisiana;

Hancock, Harrison, and Jackson Counties in the State of Mississippi*;*

Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, and Washington Counties in the State of North Carolina;

Beaufort, Charleston, Colleton, Georgetown, Horry and Jasper Counties in the State of South Carolina;

Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Refugio, San Patricio and Willacy Counties in the State of Texas; and

The Commonwealth of Puerto Rico.

O. Flood means:

1. The release of water from, or the rising, overflowing, or breaking of boundaries of rivers, lakes, streams, ponds, or other natural or man-made bodies of water; or

2. Waves, tides, tidal waves, surface water, rain accumulation or runoff.

Flood includes spray from any of them, all whether driven by **wind** or not.

P. Fungus means any of a major group (fungi) of saprophytic and parasitic lower plants that lack chlorophyll and include but are not limited to molds, rusts, mildews, smuts, mushrooms, and yeasts, and any mycotoxins, spores, scents or by-products produced or released by fungi.

Q. Hail means precipitation composed of concentric layers of clear ice and hardened snow in the shape of stones ranging in size from pea to softball or larger.

R. Limit(s) of liability means the maximum amount **we** will pay for a **covered loss**.

S. Media means the medium on which **data** or **software** is stored, such as magnetic tape, perforated paper tape, punch cards, media cards, discs, drums, and other storage devices used in **your data processing equipment**.

T. Miscellaneous location(s) means a location other than:

1. A **covered location**;

2. A **new location**;

3. An **unscheduled location**;

4. A location where **covered property** is at an exhibition, exposition, fair or trade show; or

5. A location for which coverage is found, in whole or in part, elsewhere in this policy including any coverage under errors and omissions.

DEFINITIONS (Continued)

U. Mobile equipment or tools means **your** machinery and equipment principally used by **you** or **your** employees away from a **covered location**, including:

1. Tools, whether powered or not; and

2. Machinery and equipment that is attached to a vehicle licensed for highway use.

Mobile equipment or tools does not, however, include vehicles licensed for highway use.

V. Named Storm means any storm or weather disturbance that is named by the U.S. National Weather Service. All damage resulting from a single **named storm** that occurs within a continuous seventy-two (72) hour period will be considered a single **occurrence**.

W. New location(s) means **real property you** purchase or rent, including **personal property** at that location, after the **effective date** of this policy.

X. New Madrid means the Counties and Independent Cities in the States as follows:

Clay, Craighead, Crittenden, Cross, Greene, Independence, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Randolph, St Francis, White, and Woodruff Counties in the State of Arkansas;

Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, and Williamson Counties in the State of Illinois;

Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, and Mccracken Counties in the State of Kentucky;

Desoto, Marshall, Tate, and Tunica Counties in the State of Mississippi;

Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Jefferson, Madison, Mississippi, New Madrid, Perry, Pemiscot, Reynolds, Ripley, St Charles, St Francois, St Louis, Ste Genevieve, Scott, Stoddard, and Wayne Counties and the Independent City of St. Louis in the State of Missouri;

Crockett, Dyer, Fayett, Gibson, Hardeman, Haywood, Henry, Lake, Lauderdale, Madison, Obion, Shelby, Tipton, and Weakley Counties in the State of Tennessee.

Y. Object(s) means the following:

1. Unless specified otherwise in an endorsement to this policy:

a. Equipment at a **covered location** that generates, transmits or utilizes energy including electronic communications and **data processing equipment**.

b. Equipment at a **covered location** which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

2. Object(s) does not include any of the following:

a. Structure, including but not limited to the structural portions of buildings and towers, scaffolding, and any air supported structure;

b. Foundation;

c. Cabinet, compartment, conduit or ductwork;

d. Insulating or refractory material;

e. Buried vessels or piping;

f. Waste, drainage or sewer piping;

g. Piping, valves or fittings forming a part of a sprinkler or fire suppression system;

h. Water piping that is not part of a closed loop used to conduct heat or cooling from a boiler of refrigeration or air conditioning system;

i. Vehicle or any equipment mounted on a vehicle;

j. Satellite, spacecraft, or any equipment mounted on a satellite or spacecraft;

k. Dragline, excavation or construction equipment;

l. Equipment manufactured by **you** for sale; or

m. Data.

Z. **Occurrence** means all loss or damage attributable directly or indirectly to one (1) cause or series of similar causes. All such loss or damage will be added together, and the total loss or damage will be treated as one (1) **occurrence** irrespective of the amount of time or area over which such loss or damage occurs.

A.A. **Perils insured against** means causes of loss for which this policy provides coverage.

B.B. **Period of restoration** means;

1. For buildings and equipment, the period of time

a. starts at the time of a **covered loss** and,

b. ends when using reasonable speed the building and equipment could be:

(1) repaired or replaced; and

(2) made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage.

2. For buildings in the course of construction:

a. **We** will apply the time period defined in **B.B. 1.** above to the level of business that would have been reasonably achieved after construction and startup would have been completedhad no physical damage happened; and

b. **We** will give consideration to the actual experience of the business after completion of the construction and startup.

DRAFT

DEFINITIONS (Continued)

3. For stock in-process and mercantile stock, including finished goods not manufactured by **you**, the time required using reasonable speed:

a. To restore stock in process to the same state of manufacture which existed at the beginning of the interruption of production or suspension of business operations or services; and

b. To replace physically damaged mercantile stock.

4. For raw materials and supplies, the period of time:

a. Of actual interruption of production or suspension of operation or services which results from **your** inability to obtain suitable replacement raw materials and supplies; but

b. Limited to that period for which the damaged raw materials and supplies would have satisfied operating needs.

5. For **valuable papers and records**, the time required using reasonable speed to copy the physically damaged **valuable papers and records** from backup or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

6. For **data**, programs, or other **software**, the time required using reasonable speed to restore the physically damaged or destroyed **data**, programs, or other **software** from backup. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

7. The **period of restoration** does not include any additional time due to **your** inability to resume operations for any other reason, including but not limited to:

a. Making changes to equipment.

b. Making changes to the buildings, or structures, except as provided in the Demolition Cost, Increased Construction Cost and Operation of Building Laws provision, if a **limit of liability** is shown in **E. 4. b.**, **E. 4. c.** or **E. 4. d.** of the DECLARATIONS, Form RM1000, attached to this policy.

c. Restaffing or retraining employees.

d. Any law or ordinance that requires testing, monitoring, clean up, removal, decontamination, treatment, detoxification or neutralization of, or any other response to **pollution** or **pollutant(s)**.

8. The expiration of this policy will not terminate the **period of restoration**. In no event will the **period of restoration** exceed twenty-four (24) months from the date of loss.

C.C. **Perishable goods** means any **covered property** subject to deterioration or impairment as a result of a change in conditions including but not limited to temperature, humidity or pressure.

D.D. **Personal property** means **your** tangible things, other than **real property**, including improvements and betterments **you** have made in buildings **you** do not own.

E.E. **Personal property of others** means tangible things **you** do not own, other than **real property**, that are:

1. Sold by **you** that **you** agreed, prior to loss, to insure for the account of the purchaser during delivery;

2. In **your** custody which **you** agreed, prior to loss, to insure; or

DEFINITIONS (Continued)

3. In **your** care, custody or control, and for which **you** are legally liable, but only to the extent of **your** insurable interest therein.

F.F. **Policy period** means the time during which insurance is provided by this policy.

G.G. **Pollutant(s)** means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, fiber, smoke, vapor, soot, fumes, acids, alkalis, chemicals, biological, organic or bacterial agents and waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed. However, **pollutant(s)** does not include ammonia.

H.H. **Pollution** means the presence, discharge, dispersal, seepage, migration, release or escape of any **pollutant(s)**.

I.I. **Puget Sound** means the Counties of Clallam, Island, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston, and Whatcom in the State of Washington.

J.J. **Real property** means buildings and any other structure, including:

1. Completed additions, extensions, permanent fittings or fixtures;

2. Machinery and equipment used to service the buildings;

3. Yard fixtures.

K.K. **Replacement cost** means the cost to replace **covered property**:

1. With new materials of like kind and quality and used for the same purpose; and

2. At the location where the loss happened.

But **replacement cost** excludes any increased cost of repair or reconstruction by reason of any law or ordinance regulating construction, repair or use.

L.L. **Second tier wind Counties and Parishes** means the Counties and Parishes in the States as follows:

Clarke, Covington, Escambia, Geneva, Monroe, and Washington Counties in the State of Alabama;

Brantley, Brooks, Bulloch, Charlton, Effingham, Evans, Long, Tattnall, Thomas, and Wayne Counties in the State of Georgia;

Acadia, Assumption, Calcasieu, Iberville, Jefferson Davis, Lafayette, St Charles, St James, St John the Baptist, St Martin, Tangipahoa and Washington Parishes in the State of Louisiana;

George, Pearl River, and Stone Counties in the State of Mississippi;

Bladen, Columbus, Craven, Duplin, Gates, Halifax, Hertford, Jones, Lenoir, Martin, Northampton, Pitt and Sampson Counties in the State of North Carolina;

Bamberg, Berkeley, Dillon, Dorchester, Hampton, Marion and Williamsburg Counties in the State of South Carolina;

Bee, Brooks, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jackson, Jim Wells, Liberty, Live Oak, Orange, Victoria, and Wharton Counties in the State of Texas.

M.M. **Sinkhole collapse** means loss to **covered property** resulting from the sudden sinking or collapse of any land into naturally occurring underground empty spaces created by the action of water on limestone or similar rock formations. Coverage for **sinkhole collapse** does not include the cost of filling sinkholes.

DRAFT

DEFINITIONS (Continued)

N.N. **Software** means programs stored on **media** that instruct **data processing equipment** how to process **data**.

O.O. **Specified perils** means direct physical loss or damage caused by or resulting from:

1. Fire;

2. Lightning;

3. Aircraft;

4. Explosion;

5. Riot;

6. Civil commotion;

7. Smoke;

8. Vehicles;

9. **Wind** or **hail**;

10. Malicious mischief;

11. Leakage or accidental discharge from automatic fire protection system;

12. Collapse.

P.P. **Transit** means the conveyance of **your personal property** within the **policy period** and territory as specified in this policy, from the time it leaves the original point of shipment until it arrives at its intended destination.

This period includes:

1. While the property is in the care, custody or control of hired carriers; and

2. Transfers between conveyances.

Transit does not include **personal property** while in the custody of **your** salespeople, or while being conveyed between a **covered location** and the location of an exhibition, exposition, fair or trade show.

Should this policy expire or be canceled after the property leaves the original point of shipment but before it arrives at its intended destination, coverage will continue on this **personal property** until it arrives at its intended destination.

Q.Q. **Unscheduled location(s)** means:

1. **Real property** reported to **us**, but not shown on the Schedule of the DECLARATIONS, Form RM1000, which **you** owned or rented before the **effective date**; and

2. Locations reported to **us**, but not shown on the Schedule of the DECLARATIONS, Form RM1000, at which **you** had **personal property** before the **effective date** other than **new locations**.

R.R. **Valuable papers and records** means written or printed documents or records including books, maps, negatives, drawings, abstracts, deeds, mortgages and manuscripts.

DRAFT

DEFINITIONS (Continued)

S.S. **Volcanic activity** means direct physical loss or damage to **covered property** directly resulting from:

1. Airborne volcanic blast or shockwave;

2. Ash, dust or particulate matter; or

3. Lava flow.

All **volcanic activity** resulting from volcanic eruptions occurring within any one-hundred sixty-eight (168) hour period will constitute a single **occurrence**.

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

T.T. **We**, **us** and **our(s)** means the company issuing this policy, as shown on the DECLARATIONS, Form RM1000.

U.U. **Wind** means the direct action of the movement of air at any velocity.

V.V. **You** and **your(s)** mean the named insured shown on the DECLARATIONS, Form RM1000.

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES

Location	Description of Property	Name and Address of Mortgage Holder or Loss Payee	Interests ("M" for Mortgage Holder) ("LP" for Loss Payee)
various	purchased copiers	Konica Minolta Premier Finance 1310 Madrid St Marshall, MN 56258	loss payee

DRAFT

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT OR TOOLS EXTENSION

PRIOR

This endorsement modifies insurance provided under the following:

PROPERTY NOT COVERED, Form RM1004

1. **We** will pay for loss to **your mobile equipment or tools** resulting from a **peril insured against** while away from a **covered location** subject to the following:

2. **We** will not pay more than:

   A. The **limits of liability** shown on the Schedule of this endorsement;

   B. $ No Coverage on any one (1) item or piece of *newly acquired mobile equipment or tools* **you** own; or

   C. $ No Coverage on any one (1) item or piece of **mobile equipment or tools** leased or rented by **you**.

   We will not pay more than $ 225,000 in any one (1) **occurrence**.

3. **We** will not pay unless a **covered loss** exceeds:

   (X) Straight Deductible:

   $500. **We** will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.

   ( ) Percentage Deductible:

   N/A percent of the reported values applicable to the lost or damaged **mobile equipment or tools**. This percentage deductible will not be less than $ Not Applicable or more than $ Not Applicable in any one (1) **occurrence**. **We** will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.

4. **You** will keep a record of all *newly acquired mobile equipment or tools* bought during the **policy period** including the value of the equipment and the date it was purchased. **You** will also provide changes in the values of equipment currently insured, and in the case of leased or rented equipment, the total annual *cost of hire*. **You** will report this information to **us** at the time **you** report the values at risk, or at expiration or cancellation of this policy, whichever occurs first.

   A premium charge will be made unless waived by **us**.

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

MOBILE EQUIPMENT OR TOOLS EXTENSION (Continued)

5. For the purpose of coverage provided by this endorsement the *italicized* term:

A. *Cost of hire* means only the actual cost of renting equipment. It does not include the cost of operators furnished with the equipment.

B. *Newly acquired mobile equipment or tools* means **mobile equipment or tools you** buy after the **effective date** of this endorsement.

6. If marked with an "X" **covered loss** to **mobile equipment or tools** provided by this endorsement will be valued at the time and place of loss at **replacement cost**:

(X) **Replacement Cost**

Schedule

Description of **Mobile Equipment or Tools**	Manufacturer	Serial No.	**Limit of Liability**
Per schedule of mobile equipment and tools on file with **us.**			$225,000

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

If **your** policy includes EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION, Form RM1105, there is no coverage in this endorsement for any loss or damage (including any coverage for **business income** or **extra expense**) resulting from leakage of an automatic fire extinguishing system caused by sudden **earth movement** (see Form RM1105 for any coverage for such loss or damage).

All **earth movement**, including any earthquake shocks, within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. **Limit of Liability**

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

A. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of sudden **earth movement** loss will be the lesser of the applicable **limit of liability** shown on:

(1) The DECLARATIONS, Form RM1000;

(2) EXTENSIONS OF COVERAGE, Form RM1002;

(3) The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

B. The most **we** will pay for all loss or damage caused by all sudden **earth movement**, including any loss of **business income** or **extra expense**, during any one (1) policy year is $5,000,000.

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

EARTH MOVEMENT COVERAGE (Continued)

3. Deductible Amount

A. **We** will not pay for a sudden **earth movement** loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for an **earth movement** loss until the loss exceeds the greater of:

(1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:

a. the total reported values on file with **us** for the **covered property** at the **covered location** when and where the loss occurred; plus

b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or

(2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

C. These deductibles do not apply to **covered property** in **transit**.

D. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.

4. This endorsement does not apply to, and no **earth movement** coverage is provided for, the following coverage(s):

Form RM1002, Course of Construction
Form RM1002, Errors and Omissions
Form RM1002, Exhibitions, Expositions, Fairs or Trade Shows
Form RM1110, Interruption of Services Coverage Extension
Form RM1002, **Miscellaneous Locations**
Form RM1002, **New Locations**

EARTH MOVEMENT COVERAGE (Continued)

5. This endorsement does not apply to, and no **earth movement** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

When indicated with an (X), **covered property** at any location situated in:

A. (X) The State of Alaska;

B. (X) The State of California;

C. (X) The State of Hawaii;

D. (X) The State of Nevada;

E. (X) The area defined in this policy as **New Madrid**;

F. (X) The area defined in this policy as **Puget Sound**;

G. (X) The Commonwealth of Puerto Rico; and

H. ( ) Any other location(s) shown below:

Location

Not Applicable

Refer to the last page of this endorsement for the Schedule of States and Locations for which **earth movement** coverage is provided by this policy.

DRAFT

EARTH MOVEMENT COVERAGE (Continued)

Schedule of States and Locations

State or Location	**Limit of Liability** per **occurrence**	**Limit of Liability** in any one (1) policy year	Deductible Amount
Locations not situated in the areas defined on the schedule of states and locations in Item 5 of this endorsement.	$5,000,000	$5,000,000	10% subject to $25,000 minimum

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

All **flood** losses within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. **Limit of Liability**

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

A. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of **flood** loss within a state(s) or at a location(s) shown on the Schedule of this endorsement will be the lesser of the applicable **limit of liability** shown on:

(1) The DECLARATIONS, Form RM1000;

(2) EXTENSIONS OF COVERAGE, Form RM1002;

(3) The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

B. The most **we** will pay for all loss or damage caused by **flood**, including any loss of **business income** or **extra expense**, during any one (1) policy year is $1,000,000.

3. Deductible Amount

A. **We** will not pay for a **flood** loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

FLOOD COVERAGE (Continued)

B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for a **flood** loss until the loss exceeds the greater of:

(1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:

a. the total reported values on file with **us** for the **covered property** at the **covered location** when and where the loss occurred; plus

b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or

(2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

C. These deductibles do not apply to **covered property** in **transit**.

D. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.

4. This endorsement does not apply to, and no **flood** coverage is provided for, the following coverage(s):

Form RM1002, Course of Construction
Form RM1002, Errors and Omissions
Form RM1002, Exhibitions, Expositions, Fairs or Trade Shows
Form RM1110, Interruption of Services Coverage Extension
Form RM1002, **Miscellaneous Locations**
Form RM1002, **New Locations**

5. This endorsement does not apply to, and no **flood** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

Loc. No. 1, 430 S COLLEGE ST FRANKLIN KY 42134

Refer to the last page of this endorsement for the Schedule of States and Locations for which **flood** coverage is provided by this policy.

DRAFT

FLOOD COVERAGE (Continued)

Schedule of States and Locations

Loc. No.	State or Location	**Limit of Liability** per **occurrence**	**Limit of Liability** in any one (1) policy year	Deductible Amount
	Subject to Paragraphs 1-5 of this endorsement, unless a different **limit of liability** applies for any reason (including any **limits of liability** listed below), this is the **limit of liability** for all direct physical loss or damage to **covered property** caused by **flood** (including any resulting loss of **business income** or **extra expense** if those coverages are provided in **B.** Coverages of DECLARATIONS, Form RM1000)	$1,000,000	$1,000,000	$50,000

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INTERRUPTION OF SERVICES COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002
EXCLUSIONS, Form RM1003

1. **We** will pay for physical loss or damage to **covered property**, loss of **business income** and **extra expense** resulting from an interruption of the electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, sewer or fuel service to a location shown on the Schedule of this endorsement, but only if the interruption of service results:

A. From physical damage by a **peril insured against**;

B. Away from a location shown on the Schedule of this endorsement;

C. To the following, if marked with an "X", that directly supply service to the location shown on the Schedule of this endorsement and are either owned, managed or controlled by a company with a contract to supply these services to that location, or are located within one (1) mile of that location:

(1) (X) Any electrical generating plant, substation, power switching station, transformer, gas compressor station, telephone switching facility, water or sewer treatment plant or any other plant or facility responsible for providing the services specified in **1.** above;

(2) (X) Transmission and distribution lines, connections or supply pipes which furnish electricity, steam, gas, refrigeration, telecommunication, water or sewer (other than overhead transmission and distribution lines);

(3) ( ) Overhead transmission and distribution lines.

2. **We** will not pay for any physical loss or damage to **covered property**, loss of **business income** or **extra expense** due to any interruption of service from:

A. A satellite, regardless of cause; or

B. The operation of any breaker, switch, device or system designed to preserve or protect any property or system integrity; or

C. Any misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting, cleaning, or the performance of maintenance.

3. Conditions

A. This extension applies only to the Coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000.

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

B. This extension, however, does not apply to, and no coverage is provided in conjunction with, Standard Extension of Coverage **A. 7.** Extended **Period of Restoration**, EXTENSIONS OF COVERAGE, Form RM1002, with respect to any loss of **business income** covered solely under this endorsement.

4. Limit of Liability

We will not pay more than the applicable **limit of liability** shown on the Schedule of this endorsement for any one (1) **occurrence**. This **limit of liability** does not increase and is not in addition to any other applicable **limit of liability**.

5. Waiting Period

If an interruption of service waiting period is shown below or on the Schedule of this endorsement, **we** will only pay for loss of **business income**, **extra expense** or for **perishable goods** if the interruption exceeds the specified waiting period. Once the waiting period is met coverage will commence at the initial time of the interruption, and will be subject to any deductible shown in **6.** below or on the Schedule of this endorsement.

The following interruption of service waiting period(s) apply:

A. Equipment Breakdown 24 Hours

B. All Coverages Except Equipment Breakdown 24 Hours

6. Deductible

If the interruption of service exceeds the waiting periods in **5.**, the following deductibles apply to any loss covered under this endorsement unless otherwise shown on the Schedule of this endorsement.

A. Equipment Breakdown

Deductible(s) as specified in **G. 3. a.** and **G. 3. b.** on the DECLARATIONS, Form RM1000, or on the ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

B. All Coverages Except Equipment Breakdown

(1) **We** will not pay unless a loss covered under this endorsement exceeds $10,000. **We** will then pay only the amount of loss in excess of this deductible, up to the applicable **limit of liability**.

If a separate deductible is shown below, the foregoing dollar amount deductible does not apply to the loss of **business income** or **extra expense** portion of the loss covered under this endorsement, which will be subject to the following deductible.

(2) Unless otherwise shown on the Schedule of this endorsement, **we** will not pay for loss of **business income** or **extra expense** until an interruption of service exceeds a time period of Not Applicable immediately following the loss covered under this endorsement. **We** will then pay only the amount of loss sustained after this period of time, up to the **limit of liability** specified.

For a time deductible shown as days, each day consists of twenty-four (24) consecutive hours.

When an asterisk (*) follows one (1) or more of the applicable deductible amounts described on the Schedule of this endorsement or any other endorsement to this policy, the amounts shown will be applied separately, and are in addition to any other applicable deductible(s).

7. Refer to the last page of this endorsement for the Schedule of location(s) for which interruption of services coverage is provided by this policy.

DRAFT

INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

Schedule

Location(s), Coverage(s), Additional Deductible(s) or Waiting Periods	**Limit of Liability** or Deductible(s)
A. Locations	
All **covered locations** except as indicated in B., C., and D. below.	$50,000
B. Coverages	
C. Additional Deductibles or Waiting Periods	
D. Other	

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

A. If **G. 2.** or **G. 3. d.** on Form RM1000 is marked with an (X), the deductibles and waiting periods for the coverages described on the Schedule of this endorsement apply. If not shown on the Schedule of this endorsement the deductibles and waiting periods for all other coverages remain unchanged.

B. If a **covered loss** involves two (2) or more deductibles, **we** will use no more than the largest of the applicable deductibles unless otherwise provided below.

C. When an asterisk (*) follows one (1) or more of the deductible amounts described on the Schedule of this endorsement, the amounts shown will be applied separately, and are in addition to any other applicable deductible(s).

Schedule

Description of Coverage Deductible or Waiting Period	Amount of Deductible and Waiting Period
Educational Institutions Endorsement - RM1196	$500
Signs	$500
Signs at location(s) 1.1-2.7, 3.1-4.3, 4.5-5.1, 6.1-6.3, 7.1-8.12, 8.14-9.1	$500

DRAFT

Copyright 2011, Liberty Mutual Group of Companies - all rights reserved.

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS (continued)

Schedule

Description of Coverage Deductible or Waiting Period	Amount of Deductible and Waiting Period

Wind associated with a **Named Storm** (Deductible)

A. All loss or damage to **covered property** caused by or resulting from **wind** associated with a **Named Storm** will be subject to the deductible obtained by adding up all of the following with respect to the deductible factors/amounts listed in Paragraph **C**. below:

1. the sum of all applicable percentage deductible factors, calculated as described in Paragraph **B**. below, subject to any applicable minimums or maximums; and

2. Any applicable flat deductible amounts.

B. To determine the amount to be used in Paragraph **A**. for any percentage deductible factors provided in Paragraph **C**., multiply the applicable percentage shown by:

1. the total reported values on file with **us** for the **covered property** at the corresponding location(s) (including sub-locations) where the loss occurred; plus

2. the full annual loss of **business income** value which **you** would have earned for the corresponding location (including sub-locations) where the loss occurred in the twelve (12) month period following the loss had no loss occurred.

DRAFT

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS (continued)

Schedule

Description of Coverage Deductible or Waiting Period	Amount of Deductible and Waiting Period

C. The following are the deductible factors/amounts to be used for purposes of calculating the **wind** associated with a **Named Storm** deductible. If a location (including its sub-locations) falls into two or more of the following categories, the category that more specifically identifies that location will be the only one that applies to that location for purposes of calculating its portion of the **wind** associated with a **Named Storm** deductible:

Categories (by Group(s), Region(s), State(s), County(ies), Location(s))	Deductible Factors/Amounts
Second tier wind Counties and Parishes; and Additional First Tier Wind Counties and Independent Cities	$50,000
Florida; Hawaiian Islands; and Puerto Rico	5% subject to $250,000 minimum
First tier wind Counties and Parishes; and Harris County, TX	2% subject to $100,000 minimum
New York counties of Suffolk and Nassau	$50,000

D. The foregoing **wind** associated with a **Named Storm** deductible is a single deductible, even if multiple percentages, minimums or flat deductible factors/amounts apply.

Mobile Equipment or Tools

Mobile Equipment or Tools $500

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STANDARD EXTENSIONS AMENDATORY

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002

The following Standard Extensions of Coverage are amended as shown below when marked with an "X":

Standard Extensions of Coverage

1. ( ) Accounts Receivable

Our sublimit under **A. 1. a.** Accounts Receivable is increased from $100,000 to $Not Applicable.

2. ( ) Arson Reward

Our sublimit under **A. 2.** Arson Reward is increased from $25,000 to $Not Applicable.

3. ( ) Computer Virus and Denial of Access

Our sublimit under **A. 3.** Computer Virus and Denial of Access is increased from $25,000 to $Not Applicable.

4. (X) Debris Removal Expense

A. **Our** sublimit under **A. 4. b.** Debris Removal Expense is increased from $250,000 to $5,000,000.

B. **A. 4. c.** Debris Removal Expense is deleted and replaced by the following:

c. **We** will pay up to $25,000 for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.

5. ( ) Deferred Payments

Our sublimit under **A. 5. a.** Deferred Payments is increased from $25,000 to $Not Applicable.

DRAFT

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

STANDARD EXTENSIONS AMENDATORY (Continued)

6. ( )Extended **Period of Restoration**

A. 7. a. Extended **Period of Restoration** is amended to NA days in lieu of sixty (60) days.

7. ( )**Fine Arts**

Our sublimit under **A. 9. Fine Arts** is increased from $100,000 to $Not Applicable.

8. ( )**Fungus** Cleanup Expense

Our sublimit under **A. 10. b. Fungus** Cleanup Expense is increased from $250,000 to $Not Applicable.

9. ( )Installation of **Personal Property** or **Personal Property of Others**

Our sublimit under **A. 11.** Installation of **Personal Property** or **Personal Property of Others** is increased from $250,000 to $Not Applicable.

10. ( ) Lock and Key Replacement

Our sublimit under **A. 12. b.** Lock and Key Replacement is increased from $25,000 to $Not Applicable.

11. ( ) Plants, Trees or Shrubs

Our sublimit under **A. 14.** Plants, Trees or Shrubs is increased from $100,000 to $Not Applicable.

12. (X) **Pollution** Cleanup Expense

A. **Our** annual aggregate **limit of liability** under **A. 15. b. Pollution** Cleanup Expense is increased from $25,000 to $50,000.

B. **Our** annual aggregate **limit of liability** under **A. 15. c. Pollution** Cleanup Expense is increased from $25,000 to $50,000.

13. (X) Professional Fees

Our sublimit under **A. 16. a.** Professional Fees is increased from $25,000 to $50,000.

14. ( ) Removal

A. 17. b. (1) Removal is deleted and replaced by the following:

(1) For up to NA days at each place to which the property has been taken for preservation;

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACT(S) OF TERRORISM

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003
DEFINITIONS, Form RM1007

1. Definition of *Certified Act(s) of Terrorism*

For the purpose of this endorsement, the italicized phrase *certified act(s) of terrorism* means one (1) or more acts certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States, to be terrorism pursuant to the federal Terrorism Risk Insurance Act, including all amendments (hereafter "TRIA"). The criteria contained in TRIA for *certified act(s) of terrorism* include that 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.

2. Cap on Losses From *Certified Act(s) of Terrorism*

If aggregate insured losses attributable to *certified act(s) of terrorism*:

A. exceed $100 billion in a program year (January 1 through December 31); and

B. **we** have met **our** deductible under the Act;

neither **we** nor the Secretary of the Treasury shall be liable for the payment of any portion of the amount of such losses that exceeds the $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.

3. 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 by this policy, such as losses under **GROUP A** exclusions **A. 1.** and **A. 8.** on EXCLUSIONS, Form RM1003 attached to this policy.

© 2015 Liberty Mutual Insurance.
Includes copyrighted material of Insurance Service Office, Inc., with its permission.

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL FIRST TIER WIND COUNTIES AND INDEPENDENT CITIES (THE STATES OF VIRGINIA THROUGH AND INCLUDING MAINE)

This endorsement modifies insurance provided under the following:

DEFINITIONS, Form RM1007

The following Counties and Independent Cities are added to Item **N. First tier wind Counties and Parishes** on DEFINITIONS, Form RM1007:

Fairfield, Middlesex, New Haven and New London Counties in the State of Connecticut;

Sussex County in the State of Delaware;

Cumberland, Hancock, Knox, Lincoln, Penobscot, Sagadahoc, Waldo, Washington and York Counties in the State of Maine;

Somerset and Worcester Counties in the State of Maryland;

Barnstable, Bristol, Dukes, Essex, Middlesex, Nantucket, Norfolk, Plymouth and Suffolk Counties in the State of Massachusetts;

Rockingham County in the State of New Hampshire;

Bronx, Kings, Nassau, New York, Queens, Richmond and Suffolk Counties in the State of New York;

Bristol, Newport and Washington Counties in the State of Rhode Island; and

Accomack, Gloucester, Hampton, Lancaster, Mathews, Middlesex, Newport News, Norfolk, Northampton, Northumberland, Poquoson, Portsmouth, Virginia Beach, Williamsburg and York Counties and Independent Cities in the State of Virginia.

DRAFT

© 2012 Liberty Mutual Insurance. All rights reserved

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE - DEFINED

DRAFT

This endorsement modifies insurance provided under the following:

DEFINITIONS, Form RM1007

The definition for **actual cash value** is replaced by the following:

B. Actual cash value: The amount it would cost to repair or replace **covered property**, on the date of loss, with material of like kind and quality, with reasonable deduction for physical depreciation and obsolescence, but in no event more than the fair market value.

The following is added to any provision which uses the term **actual cash value** as it pertains to direct loss or damage to **real property** caused by a **covered loss**:

Unless otherwise provided by this policy, **we** may deduct expense depreciation. Expense depreciation is defined as depreciation, including but not limited to the cost of goods, materials, overhead and profit, labor and services necessary to replace, repair or rebuild damaged property. If expense depreciation is applied to a loss for damaged property, **we** shall provide a written explanation as to how the expense depreciation was calculated.

© 2020 Liberty Mutual Insurance

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RM CUSTOM SELECT™ EDUCATIONAL INSTITUTIONS

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, FORM RM1002
EXCLUSIONS, FORM RM1003
PROPERTY NOT COVERED, FORM RM1004
CONDITIONS, FORM RM1006

Coverage	Sublimits of Liability
Animals	$ 25,000 per **occurrence** $ 1,500 per animal
Broadened **Covered Location** Distance	1,250 feet
Classroom Chemical Spills	$ 10,000 per **occurrence** $ 50,000 annual aggregate
Crisis Event	$ 50,000 per **occurrence**
Employee Dishonesty	$ 25,000 per **occurrence**
Fire Protective Equipment Recharging	**Real Property** limit applicable, per 12-month **policy period**
Forgery or Alteration	$ 25,000 per **occurrence**
Miscellaneous School Property at School Sponsored Events Away From a **Covered Location**	$ 50,000 per **occurrence**
Money and *Securities:* At Each **Covered Location** Within a Bank or Savings Institution Other Locations or In Transit	 $ 25,000 per **occurrence** $ 25,000 per **occurrence** $ 25,000 per **occurrence**
Money Orders and Counterfeit Currency	$ 25,000 per **occurrence**
Personal Effects of **Your** Students	$100,000 per **occurrence** $ 5,000 per student

The sublimits of liability shown in this endorsement do not increase and are not in addition to any other applicable **limit of liability.** The extensions of coverage provided by this endorsement are subject to the deductible(s) in ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115 and the other terms and conditions in **your** policy.

© 2019 Liberty Mutual Insurance. All rights reserved.
Includes copyrighted material of Insurance Service Office, Inc., with its permission.

RM CUSTOM SELECT™ EDUCATIONAL INSTITUTIONS (Continued)

1. The coverage provided by this policy for a **covered loss** is extended as follows:

A. Animals

We will pay up to $25,000 in any one **occurrence**, but not more than $1,500 for any one animal, for direct physical loss or damage to animals at a **covered location** which **you** use as part of an agricultural, vocational or equestrian program. The direct physical loss or damage must be caused by or result from **specified perils**, theft, collision with a vehicle, electrocution, attack by dogs or wild animals, accidental shooting or drowning. Coverage applies only if the animal is killed or its destruction is made necessary for humane reasons. Poultry is covered only while inside buildings.

For purposes of this Animals extension of coverage only, Item **B.** (Animals) in Form RM1004, PROPERTY NOT COVERED is deleted.

B. Broadened **Covered Location** Distance

The one-thousand (1,000) feet of a **covered location** limitation stated in paragraphs **A.** (**real property**) and **B.** (**personal property**) in RM1001, COVERAGES is deleted and replaced by 1,250 feet.

C. Classroom Chemical Spills

We will pay up to $10,000 per **occurrence** to clean up accidental classroom chemical spills at the affected **covered location**. Regardless of the number of **occurrences**, the most **we** will pay under this extension of coverage during each separate 12-month period of this policy is an annual aggregate **limit of liability** of $50,000. The expenses will be paid only if they are reported to **us** in writing within 180 days of the date on which the accidental classroom chemical spill occurs. Any coverage provided by this extension of coverage is in addition to any other applicable coverage provided by the policy. This extension of 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 cleaning up the accidental classroom chemical spill.

D. *Crisis Even*t

We will pay up to $50,000 in any one **occurrence** for:

(1) The actual loss of **business income you** incur if **you** are denied access to a **covered location** by order of civil or military authority resulting from a *crisis event* at such *covered location*; and

(2) *Crisis event extra expense* **you** incur at a **covered location** which results from a *crisis event* at such **covered location**.

This coverage will apply for a period not to exceed 60 consecutive days from the date of the order. Additionally, any coverage for loss of **business income** or **extra expense** found elsewhere in this policy does not apply to loss or damage caused by a *crisis event*.

As used in this extension of coverage:

(1) *Crisis event* means an actual or attempted murder, suicide, armed robbery, or other violent crime.

(2) *Crisis event extra expense* means the reasonable and necessary extra costs:

a. Of temporarily using property or facilities of **yours** or others; or

b. Temporary fees paid to an outside security services firm; or

c. Transportation costs from the affected covered location(s) at the time of the *crisis event*; or

d. Costs incurred by a professional crisis management or public relations firm to assist or advise on communications strategies to mitigate negative publicity or to attempt to restore **your** business's image to pre-*crisis event* status

The **limit of liability** provided in this extension of coverage does not increase any other applicable **limit of liability** (including any **limits of liability** for loss of **business income** or **extra expense**) found elsewhere in this policy.

The duties described in Form RM1006, CONDITIONS, item **C.C. Your** Duties After a Loss also apply to a *crisis event.*

E. *Employee* Dishonesty

We will pay up to $25,000 in any one **occurrence** for direct loss or damage to **personal property**, including *money* and *securities*, that **you** sustain resulting from dishonest acts committed by any of **your** *employees* acting alone or in collusion with other persons (except **you** or **your** partners) **you** *discovered* taking place during the **policy period** with the manifest intent to:

(1) Cause **you** to sustain loss or damage; and

(2) 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 any *employee* or any other person or organization.

We will also pay for direct loss or damage that **you** sustained prior to the effective date of cancellation of this insurance, which is *discovered* by **you** no later than one year from the date of that cancellation. However, this extended period to *discover* loss terminates immediately upon the effective date of any other insurance obtained by **you**, whether from **us** or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

Regardless of the number of years this policy remains in force or the number of premiums paid, no **limit of liability** cumulates from year to year or period to period.

In addition to the policy limitations and exclusions, **we** will not pay for loss or damage caused by or resulting from:

(1) Any dishonest or criminal act that **you** or any of **your** partners commit whether acting alone or in collusion with other persons;

(2) Loss the only proof of which as to its existence or amount is dependent upon an inventory computation or a profit and loss computation;

(3) Mathematical or accounting mistakes or omissions;

(4) *Money, securities* and negotiable instruments (including checks) contained in any device unless the amount deposited in it is recorded by a continuous recording instrument;

(5) An *employee* if the *employee* also committed theft or a dishonest act prior to the **effective date**, and **you** or any of **your** associates, proprietors, partners, directors, trustees or officers learned of that theft or dishonest act prior to the **effective date**;

(6) Caused by an *employee* who has already committed theft or a dishonest act for which a claim has already been made under this policy; or

(7) Voluntary parting, giving, surrendering or trading in any exchange or purchase *money*, *securities*, negotiable instruments (including checks), or any other property.

As used in this extension of coverage:

(1) *Discover* or *discovered* means the time when **you** first become aware of facts that would cause a reasonable person to suspect that a loss of a type covered by this insurance has been or will be incurred, even though the exact amount or details may not then be known, including the time when **you** first become aware of an actual or potential claim against **you** that may be covered under this insurance.

(2) *Employee* means

a. Any natural person:

i. While in **your** service and for 30 days after their termination, unless such termination is due to theft or any dishonest act committed by them;

ii. Whom **you** compensate directly by wages, salary or commissions; and

iii. Whom **you** have the right to direct and control while performing services for **you**.

b. Any natural person **you** hire through a temporary employment firm or leased to **you** through a written agreement while that person is subject to **your** direction and control and performing services for **you** excluding, however, any such person while having care and custody of **personal property** away from a **covered location**.

However, *employee* does not mean or include any agent, broker, consignee, factor, commission merchant, representative, independent contractor or directors/trustees (except a director/trustee who would also qualify as an *employee*, but only while they are performing acts within the usual duties of an*employee*).

(3) *Money* means currency, coins, bank notes in current use and having a face value, travelers checks, register checks and money orders held for sale to the public.

(4) *Securities* means negotiable and nonnegotiable instruments or contracts representing either money or other property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

c. But does not include "money" or Lottery tickets held for sale.

(5) The value of United States currency is determined by its face value.

(6) The value of currency issued by a country other than the United States (provided that the other country is not subject to United States Government trade sanctions) is determined by its face value or, at **your** option, in its United States dollar equivalent determined by the exchange rate published in the Wall Street Journal as of the day the loss is *discovered.*

(7) The value of *securities* is determined by the market closing price as of the day the loss is *discovered.*

(8) The value of negotiable instruments, including checks, is determined by the sum certain payable.

For purposes of this *Employee* Dishonesty extension of coverage only:

(1) Item **F.** ("Currency, money, securities and negotiable instruments of any kind") in Form RM1004, PROPERTY NOT COVERED is deleted.

(2) The following provisions in Item **B.** GROUP B EXCLUSIONS, Form RM1003, EXCLUSIONS are modified as follows:

a. Item **3.** ("Theft by employees, whether acting alone or with others") is deleted.

b. In items **4.b.** and **4.c.,** the word "employees" is deleted.

(3) The following is added to the definition of **occurrence** in form RM1007, DEFINITIONS, item **Z.**:

The total of all acts or events, whether separate or a series, and whether related or not, will be treated as one **occurrence** irrespective of the time, area, number of individuals, or means and methodsinvolved.

F. Fire Protective Equipment Recharging

We will pay, for each separate 12-month period of this policy, up to the **real property limit of liability** applicable to the affected **covered location** shown in DECLARATIONS, Form RM1000 for recharging or refilling of **your** fire protective devices that are permanently installed at the affected **covered location** when such devices have been accidently discharged or after being used in fighting a fire. This extension of coverage does not apply to any discharge that occurs during the installation, repair, recharging or refilling of **your** fire protective devices.

G. *Forgery* or Alteration

We will pay up to $25,000 in any one **occurrence** for **your** direct loss resulting from *forgery* or alteration of any negotiable instrument, including checks. Under this extension of coverage, checks include 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. Under this coverage:

(1) We will treat signatures produced electronically, mechanically, or by other means the same as hand written signatures; and

(2) You must include with **your** signed, sworn Proof of Loss any instrument involved in that loss, if available.

(3) Coverage applies worldwide.

As used in this extension of coverage, the value of negotiable instruments, including checks, is determined by the sum certain payable.

Under this extension of coverage, all loss caused by one or more persons, or involving a single act or a series of related acts will be considered a single **occurrence**. In addition to the policy limitations and exclusions, **we** will not pay for loss caused by or resulting from:

(1) Any credit, debit or charge card if **you** have not complied fully with the provisions, conditions or other terms under which the card was issued;

(2) Accounting or mathematical errors or omissions;

(3) Negotiable instruments (including checks) that are given, surrendered or traded in any exchange, purchase or voluntary parting; or

(4) Negotiable instruments, including checks, contained in any device unless the amount deposited in it is recorded by a continuous recording instrument.

(5) Any dishonest or criminal acts committed by **you** or any of **your** partners, *employees*, managers, members, officers, directors or trustees, whether acting alone or in collusion with others.

As used in this extension of coverage, *forgery* means the signing of the name of another person or organization with the intent to deceive; it does not mean a signature that consists, in whole or in part, of one's own name signed, with or without authority, in any capacity, for any purpose.

For purposes of this *Forgery* or Alteration extension of coverage only, Item **F.** ("Currency, money, securities and negotiable instruments of any kind") in Form RM1004, PROPERTY NOT COVERED is deleted.

H. *Miscellaneous School Property* at School Sponsored Events Away From a **Covered Location**

We will pay up to $50,000 per **occurrence** for **covered loss** to **your** *miscellaneous school property* while at school sponsored events away from a **covered location** and within the territory as specified in this policy. This extension of coverage also applies to school sponsored events outside the territory as specified in this policy (provided that the other country is not subject to United States Government trade sanctions) for a period of not more than 30 days. All claims for loss or damage to **your** *miscellaneous school property* must be brought in the United States.

As used in this extension of coverage, *miscellaneous school property* means musical instruments, band uniforms and equipment, theatrical property including scenery and costumes, and athletic equipment.

I. *Money* and *Securities*

We will pay up to the limits shown below for **your** direct loss caused by theft, disappearance or destruction of *money* and *securities* owned by **you** while:

(1) At a **covered location** or the premises of a bank or savings institution; or

(2) At any other location, or in transit, in the custody of a *messenger*.

The most **we** will pay in any one **occurrence** is:

(1) $25,000 at each **covered location;**

(2) $25,000 within a bank or savings institution; or

(3) $25,000 while at any other location or in transit, in the custody of a *messenger***;**

provided that **you** have maintained records of all *money* and *securities* so that **we** can verify the amount of **your** loss.

Under this extension of coverage, all loss caused by one or more persons, or involving a single act or a series of related acts will be considered a single **occurrence**. In addition to the policy limitations and exclusions, **we** will not pay for loss caused by or resulting from:

(1) Accounting or mathematical errors or omissions;

(2) The giving or surrendering of *money* and *securities* in any exchange or purchase, the transfer or surrender of *money* and *securities* to a person or place outside a **covered location** or the premises of a banking or savings institution, or any other voluntary parting with possession of or title to*money* and *securities*;

(3) *Money* or *securities* contained in any device unless the amount deposited in it is recorded by a continuous recording instrument; or

(4) Any dishonest or criminal acts committed by **you** or any of **your** partners, *employees*, managers, members, officers, directors or trustees, whether acting alone or in collusion with others.

(5) *Forgery* or alteration.

As used in this extension of coverage:

(1) *Discovered* means the time when **you** first become aware of facts that would cause a reasonable person to suspect that a loss of a type covered by this insurance has been or will be incurred, even though the exact amount or details may not then be known, including the time when **you** first become aware of an actual or potential claim against **you** that may be covered under this insurance.

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

(3) *Messenger* means **you**, any of **your** partners, any *employee* or volunteer while having care and custody of *money* and *securities* away from a **covered location**.

(4) *Money* means currency, coins, bank notes in current use and having a face value, travelers checks, register checks and money orders held for sale to the public.

(5) *Securities* means negotiable and nonnegotiable instruments or contracts representing either money or other property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

c. But does not include "money" or Lottery tickets held for sale.

(6) The value of United States currency is determined by its face value.

(7) The value of currency issued by a country other than the United States (provided that the other country is not subject to United States Government trade sanctions) is determined by its face value or, at **your** option, in its United States dollar equivalent determined by the exchange rate published in the Wall Street Journal as of the day the loss is *discovered.*

(8) The value of *securities* is determined by the market closing price as of the day the loss is *discovered.*

(9) The value of negotiable instruments, including checks, is determined by the sum certain payable.

For purposes of this *Money* and *Securities* extension of coverage only, Item **F.** ("Currency, money, securities and negotiable instruments of any kind") in Form RM1004, PROPERTY NOT COVERED isdeleted.

J. Money Orders and Counterfeit Currency

We will pay up to $25,000 in any one **occurrence** for **your** direct loss resulting from **your** good faith acceptance of:

(1) Any U. S. post office, express company, or national or state chartered bank money order that is not paid upon presentation to the issuer; or

(2) Counterfeit paper or coin currency, in exchange for merchandise, money or services, or as part of a normal business transaction;

that occurs anywhere in the world.

As used in this extension of coverage:

(1) The value of United States currency is determined by its face value.

(2) The value of currency issued by a country other than the United States (provided that the other country is not subject to United States Government trade sanctions) is determined by its face value or, at **your** option, in its United States dollar equivalent determined by the exchange rate published in the Wall Street Journal as of the day the loss is *discovered.*

(3) The value of money orders is determined by the sum certain payable.

(4) *Discovered* means the time when **you** first become aware of facts that would cause a reasonable person to suspect that a loss of a type covered by this insurance has been or will be incurred, even though the exact amount or details may not then be known, including the time when **you** first become aware of an actual or potential claim against **you** that may be covered under this insurance.

Under this extension of coverage, all loss caused by one or more persons, or involving a single act or a series of related acts will be considered a single **occurrence**. In addition to the policy limitations and exclusions, **we** will not pay for loss caused by or resulting from:

(1) Accounting or mathematical errors or omissions;

(2) Money orders or currency that are given, surrendered or traded in any exchange, purchase or voluntary parting; or

(3) Money orders or currency contained in any device unless the amount deposited in it is recorded by a continuous recording instrument.

(4) Any dishonest or criminal acts committed by **you** or any of **your** partners, *employees*, managers, members, officers, directors or trustees, whether acting alone or in collusion with others.

For purposes of this Money Orders and Counterfeit Currency extension of coverage only, Item **F.** ("Currency, money, securities and negotiable instruments of any kind") in Form RM1004, PROPERTY NOT COVERED is deleted.

K. Personal Effects of **Your** Students

We will pay up to $100,000 per **occurrence**, but not more than $5,000 per student, for direct physical loss or damage caused by or resulting from a **peril insured against** to the personal effects of **your** students (other than vehicles) while located at a **covered location**. This extension of coverage does not apply to loss or damage by theft or mysterious disappearance.

2. The coverage extensions in this endorsement are commonly provided by other insurance policies. The coverage provided by these extensions is therefore excess of, and will not contribute with, any other insurance available to **you** or **your** students. This subparagraph **2** supersedes and replaces any inconsistent provision within paragraph **Q.** Other Insurance, of the RM1006. The coverage extensions included herein provide primary insurance to the limits and terms detailed above only if no other insurance exists.

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. If coverage for Equipment Breakdown is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay up to the sublimit of liability shown for each of the extensions described below.

These extensions of coverage do not increase the **limit of liability** under this coverage.

A. Expediting Expenses Coverage

We will pay up to a sublimit of $250,000 for the reasonable extra costs of temporary repair to property or of expediting the permanent repair or replacement of the property, whichever is less. Expenses **we** will cover include overtime wages and extra costs for rapid means of transportation.

We will not cover expenses for temporary rental of property or temporary replacement of damaged property under this extension of coverage. **We** will pay only for expediting expenses caused by an **accident** to an **object**.

B. *Hazardous Substances* Coverage

We will pay up to a sublimit of $250,000 for **extra expenses** to clean up, repair, replace or dispose of property that is damaged, contaminated or polluted by a *hazardous substance*. The damage, contamination or **pollution** must result from an **accident** to an **object**.

As used here, **extra expenses** will mean expenses incurred beyond those for which **we** would have been liable if no *hazardous substance* had been involved.

C. **Perishable Goods** Coverage

(1) **We** will pay up to a sublimit of $250,000 for:

a. physical damage to **perishable goods** due to spoilage;

b. physical damage to **perishable goods** due to contamination from the release of refrigerant, including but not limited to ammonia;

c. any necessary expenses **you** incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

Copyright 2008, Liberty Mutual Group of Companies - all rights reserved.

(2) If **you** are unable to replace the **perishable goods** before its anticipated sale, the amount of **our** payment will be determined on the basis of the sales price of the **perishable goods** at the time of the **accident**, less discounts and expenses **you** otherwise would have had. Otherwise **our** payment will be determined in accordance with the valuations endorsement.

(3) As used here, **covered property** does not include animals.

D. Data Restoration

We will pay up to a sublimit of $250,000 for **your** reasonable and necessary cost to research, replace and restore lost **data**.

2. If coverage for Equipment Breakdown is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, the coverage provided by this policy is extended as follows:

A. Water Damage Coverage

We will pay for loss to property, including the cost of salvage, caused by water, if such damage results from an **accident** to an **object**.

B. 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 (chlorinated fluorocarbon) substances. This means the **extra expense** to do the least expensive of the following:

(1) Repair the damaged property and replace any lost CFC refrigerant;

(2) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or

(3) Replace the system with one (1) using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

We will also pay for the additional loss as described in loss of **business income** and **extra expense** coverages caused by such loss, if these coverages are indicated in the DECLARATIONS, Form RM1000.

3. For the purpose of this endorsement the italicized term *hazardous substance* means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COURSE OF CONSTRUCTION SPECIFIC PROJECTS AMENDATORY

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000
EXTENSIONS OF COVERAGE, Form RM1002

1. The sublimit of liability shown in Item **E. 4. a.** on Form RM1000 is deleted and replaced by the sublimit of liability shown on the Schedule of this endorsement.

2. Item **B. 1.** on Form RM1002 is deleted and replaced by the following:

1. Course of Construction

a. **We** will pay for direct physical loss or damage to **real property** of the type insured by this policy, including new additions and buildings at an existing **covered location**, that **you** begin to construct during the **policy period** at the project sites shown on the Schedule of this endorsement.

(1) This coverage only applies for sixty (60) days from the date **you** begin construction.

(2) To continue this coverage beyond the sixty (60) days, **you** must:

(a) Report newly constructed **real property** to **us** prior to the end of that sixty (60) day period; and

(b) Pay premium from the date **you** begin construction.

b. **We** will also pay under this extension of coverage for materials, supplies, machinery, equipment and fixtures, including those that are **personal property of others**, which are:

(1) Intended by **you** for use in construction; and

(2) Located on the construction site awaiting use in construction.

c. This coverage only applies to the construction of **real property you** intend to own or occupy once constructed.

d. The most **we** will pay for loss or damage caused by or resulting from a **peril insured against** at a location for which coverage is provided by this endorsement is the sublimit of liability shown on the Schedule of this endorsement.

3. The sublimit of liability payable under this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

© 2013 Liberty Mutual Insurance. All rights reserved.

COURSE OF CONSTRUCTION SPECIFIC PROJECTS AMENDATORY (Continued)

Schedule

Description and Location of Covered Project	Sublimit of Liability in Any One (1) **Occurrence**
"Dwellings Under Construction" By Vocational Shop Classes	$100,000

DRAFT

Policy number YU2-Z51-293493-062

This endorsement is effective 07/01/2022 and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LAND IMPROVEMENTS

DRAFT

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002
PROPERTY NOT COVERED, Form RM1004

Property Not Covered on Form RM 1004 is modified as follows:

C. is amended to read 'Tunnels'

Q. is amended to read "Water, land, including land on which **covered property** is located, lawns, growing crops, or standing timber; however, this does not apply to *land improvements.*"

The following is added to section **B.** Optional Extensions of Coverage on Form RM1002:

Land Improvements

a. **We** will pay for direct physical loss or damage to **your** *land improvements* as a result of a **covered loss,** however loss or damage caused by freezing, thawing, disease or drought is excluded.

b. The most we will pay for this Extension of Coverage is $100,000 per occurrence.

c. As used in this endorsement, *land improvements* are defined as paved surfaces, bridges, roadways, walks, patios, parking lots, running tracks, playgrounds and athletic fields both artificial and natural turf.

© 2020 Liberty Mutual Insurance

DISCLOSURE - TERRORISM RISK INSURANCE ACT

THIS FORM IS MADE PART OF YOUR POLICY PURSUANT TO THE TERRORISM RISK INSURANCE ACT.

In accordance with the Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act"), we are required to provide you with a notice of the portion of your premium attributable to coverage for "certified acts of terrorism," the federal share of payment of losses from such acts, and the limitation or "cap" on our liability under the Act.

Disclosure of Premium

The Company has made available coverage for "certified acts of terrorism" as defined in the Act. If purchased, the portion of your premium attributable to coverage for "certified acts of terrorism" is shown on the DECLARATIONS, or elsewhere by endorsement in your policy.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments ("TRIA" or the "Act"), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer's losses from a "certified act of terrorism" exceed a specified deductible amount, the government will reimburse the insurer for a percentage of losses (the "Federal Share") paid in excess of the deductible but only if aggregate industry losses from such an act exceed the "Program Trigger". An insurer that has met its insurer deductible is not liable for any portion of losses in excess of $100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed $100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

Beginning in calendar year 2020, the Federal Share equals 80% and the Program Trigger is $200,000,000.

DRAFT

© 2020 Liberty Mutual Insurance

DISCLOSURE - TERRORISM RISK INSURANCE ACT (Continued)

MANDATORY AVAILABILITY OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM"

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a "certified act of terrorism" AND that is otherwise covered under your policy.

A "certified act of terrorism" means:

[A]ny act that is certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States

(i) to be an act of terrorism;

(ii) to be a violent act or an act that is dangerous to –

(I) human life;

(II) property; or

(III) Infrastructure;

(iii) to have resulted in damage within the United States, or outside of the United States in the case of –

(I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or

(II) the premises of a United States mission; and

(iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

DRAFT

REPORTING A COMMERCIAL CLAIM 24 HOURS A DAY

Liberty Mutual Insurance claims professionals across the United States are ready to resolve your claim quickly and fairly, so you and your team can focus on your business. Our claims teams are specialized, experienced and dedicated to a high standard of service.

We're Just a Call Away — One Phone Number to Report All Commercial Insurance Claims

Reporting a new claim has never been easier. A Liberty Mutual customer service representative is available to you 24/7 at **800-362-0000** for reporting new property, auto, liability and workers' compensation claims. With contact centers strategically located throughout the country for continuity and accessibility, we're there when we're needed!

Additional Resource for Workers' Compensation Customers

In many states, employers are required by law to use state-specific workers compensation claims forms and posting notices. This type of information can be found in the Policyholders Toolkit section of our website along with other helpful resources such as:

- Direct links to state workers compensation websites where you can find state-specific claim forms
- Assistance finding local medical providers
- First Fill pharmacy forms — part of our managed care pharmacy program committed to helping injured workers recover and return to work

Our Policyholder Toolkit can be accessed at **www.libertymutualgroup.com/toolkit.**

For all claims inquiries please call us at **800-362-0000.**

DRAFT

 © 2018 Liberty Mutual Insurance