



Markel Insurance Company

10275 West Higgins Road, Suite 750
Rosemont, IL 60018
(800) 431-1270

INSURANCE POLICY

Coverage afforded by this policy is provided by the Company (Insurer) and named in the Declarations.

In **Witness Whereof**, the company (insurer) has caused this policy to be executed and attested and countersigned by a duly authorized representative of the company (insurer) identified in the Declarations.

Kathleen Anne Sturgeon

Secretary

Benjamin W. Baker

President



MARKEL INSURANCE COMPANY

PRIVACY NOTICE

U. S. Consumer Privacy Notice

Rev. 1/1/2020

FACTS	WHAT DOES MARKEL GROUP OF COMPANIES REFERENCED BELOW (INDIVIDUALLY OR COLLECTIVELY REFERRED TO AS "WE", "US", OR "OUR") DO WITH YOUR PERSONAL INFORMATION?
Why?	In the course of Our business relationship with you, We collect information about you that is necessary to provide you with Our products and services. We treat this information as confidential and recognize the importance of protecting it. Federal and state law gives you the right to limit some but not all sharing of your personal information. Federal and state law also requires Us to tell you how We collect, share, and protect your personal information. Please read this notice carefully to understand what We do.
What?	<p>The types of personal information We collect and share depend on the product or service you have with Us. This information can include:</p> <ul style="list-style-type: none"> • your name, mailing and email address(es), telephone number, date of birth, gender, marital or family status, identification numbers issued by government bodies or agencies (i.e.: Social Security number or FEIN, driver's license or other license number), employment, education, occupation, or assets and income from applications and other forms from you, your employer and others; • your policy coverage, claims, premiums, and payment history from your dealings with Us, Our Affiliates, or others; • your financial history from other insurance companies, financial organizations, or consumer reporting agencies, including but not limited to payment card numbers, bank account or other financial account numbers and account details, credit history and credit scores, assets and income and other financial information, or your medical history and records. <p>Personal information does not include:</p> <ul style="list-style-type: none"> • publicly-available information from government records; • de-identified or aggregated consumer information. <p>When you are no longer Our customer, We continue to share your information as described in this Notice as required by law.</p>
How?	All insurance companies need to share customers' personal information to run their everyday business. In the section below, We list the reasons financial companies can share their customers' personal information; the reasons We choose to share; and whether you can limit this sharing. We restrict access to your personal information to those individuals, such as Our employees and agents, who provide you with insurance products and services. We may disclose your personal information to Our Affiliates and Nonaffiliates (1) to process your transaction with Us, for instance, to determine eligibility for coverage, to process claims, or to prevent fraud, or (2) with your written authorization, or (3) otherwise as permitted by law. We do not disclose any of your personal information, as Our customer or former customer, except as described in this Notice.

Reasons We can share your personal information	Do We share?	Can you limit this sharing?
For Our everyday business purposes and as required by law – such as to process your transactions, maintain your account(s), respond to court orders and legal/regulatory investigations, to prevent fraud, or report to credit bureaus	Yes	No
For Our marketing purposes— to offer Our products and services to you	Yes	No
For Joint Marketing with other financial companies	Yes	No
For Our Affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For Our Affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For Our Affiliates to market you	No	We don't share
For Nonaffiliates to market you	No	We don't share
Questions? Call (888) 560-4671 or email privacy@markel.com		

Who We are	
Who is providing this Notice?	A list of Our companies is located at the end of this Notice.

What We do	
How do We protect your personal information?	We maintain reasonable physical, electronic, and procedural safeguards to protect your personal information and to comply with applicable regulatory standards. For more information, visit www.markel.com/privacy-policy .
How do We collect your personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • complete an application or other form for insurance • perform transactions with Us, Our Affiliates, or others • file an insurance claim or provide account information • use your credit or debit card <p>We also collect your personal information from others, such as consumer reporting agencies that provide Us with information such as credit information, driving records, and claim histories.</p>
Why can't you limit all sharing of your personal information?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • sharing for Affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • sharing for Nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See the Other Important Information section of this Notice for more on your rights under state law.</p>

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Our Affiliates include member companies of Markel Group.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Nonaffiliates that We can share with can include financial services companies such as insurance agencies or brokers, claims adjusters, reinsurers, and auditors, state insurance officials, law enforcement, and others as permitted by law.
Joint Marketing	A formal agreement between Nonaffiliated companies that together market financial products or services to you. <ul style="list-style-type: none"> • Our Joint Marketing providers can include entities providing a service or product that could allow Us to provide a broader selection of insurance products to you.

Other Important Information	
<p>For Residents of AZ, CT, GA, IL, ME, MA, MN, MT, NV, NJ, NC, OH, OR, and VA: Under state law, under certain circumstances you have the right to access and request correction, amendment or deletion of personal information that We have collected from or about you. To do so, contact your agent, visit www.markel.com/privacy-policy, call (888) 560-4671, or write to Markel Corporation Privacy Office, 4521 Highwoods Parkway, Glen Allen, VA 23060.</p> <p>We may charge a reasonable fee to cover the costs of providing this information. We will let you know what actions We take. If you do not agree with Our actions, you may send Us a statement.</p>	
<p>For Residents of CA: You have the right to review, make corrections, or delete your recorded personal information contained in Our files. To do so, contact your agent, visit www.markel.com/privacy-policy, call (888) 560-4671, or write to Markel Corporation Privacy Office, 4521 Highwoods Parkway, Glen Allen, VA 23060. We do not and will not sell your personal information.</p> <p>For the categories of personal information We have collected from consumers within the last 12 months, please visit: www.markel.com/privacy-policy.</p>	
<p>For Residents of MA and ME: You may ask, in writing, for specific reason, for an adverse underwriting decision.</p>	
<p>Markel Group of Companies Providing This Notice: City National Insurance Company, Essentia Insurance Company, Evanston Insurance Company, FirstComp Insurance Company, Independent Specialty Insurance Company, National Specialty Insurance Company, Markel Bermuda Limited, Markel American Insurance Company, Markel Global Reinsurance Company, Markel Insurance Company, Markel International Insurance Company Limited, Markel Service, Incorporated, Markel West, Inc. (d/b/a in CA as Markel West Insurance Services), Pinnacle National Insurance Company, State National Insurance Company, Inc., Superior Specialty Insurance Company, SureTec Agency Services, Inc. (d/b/a in CA as SureTec Agency Insurance Services), SureTec Indemnity Company, SureTec Insurance Company, United Specialty Insurance Company, Inc.</p>	



MARKEL INSURANCE COMPANY

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

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

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

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

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

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

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.



MARKEL INSURANCE COMPANY

NOTICE TO POLICYHOLDER

ILLINOIS IMPORTANT NOTICE

This notice is to advise you that should any complaints arise regarding this insurance; you may contact our office or the Illinois Department of Insurance.

The address of the Markel office where complaints will be addressed is:

4521 Highwood Parkway
Glen Allen, Virginia 23060

If you desire to contact the Illinois Department of Insurance for information concerning your policy, the address(es) are shown below:

Illinois Department of Insurance
320 West Washington Street
Springfield, Illinois 62767-0001
1-866-445-5364
Fax 217-558-2083

Or

Illinois Department of Insurance
122 S. Michigan Ave.
Chicago, Illinois 60603

Consumer Complaint forms may be completed and submitted online or downloaded and printed to mail or fax to the Department through the Department's website:

<https://mc.insurance.illinois.gov/messagecenter.nsf> (online form)

<https://insurance.illinois.gov/Complaints/PropertyCasualtyComplaintForm.pdf> (printable format)



SCHEDULED PROPERTY COVERAGE FORM DECLARATIONS – LEISURE-RECREATION

POLICY NUMBER: M1IM 0000000356800 RENEWAL OF POLICY:

Named Insured and Mailing Address (No., Street, Town or City, County, State, Zip Code)
Serena Baseball League Inc
PO Box 531
Sheridan, IL 60551

Policy Period: From 04/01/24 to 04/01/25 at 12:01 A.M. Standard Time at your mailing address shown above.

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.

Covered Property

Table with 2 columns: Schedule Of Covered Property, Limits Of Insurance. Row 1: Inland Marine-Miscellaneous Property: Business Personal Property including; Sports equipment, field maintenance equipment, concession stand equipment (excluding products), small portable storage units and miscellaneous equipment and supplies. \$2,000

Producer Number, Name, and Mailing Address

866-267-5244
K&K Insurance Group, Inc.
1712 Magnavox Way
Fort Wayne, IN 46804

Coverage Extension

Coverage Extension **Limit Of Insurance**
Debris Removal Additional Limit: \$5,000

Additional Coverages

Additional Coverage	Limit Of Insurance	Deductible
Pollutant Cleanup And Removal:	\$10,000	\$0

Deductible

\$250

Coinsurance

Not Applicable []
80% [] 90% [] 100% [X] Other []

Premium

Total Premium:	\$100.00
Taxes, Fees And Surcharges (as applicable)	\$0
Premium Payable At Inception	\$100.00


Forms And Endorsements

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:

MIM 1020(07/21)	MIM 1237(07/21)	MIM 1238(07/21)	MIM 1239(07/21)
MIM 1242(07/21)	MIM 1245(07/21)	MIM 1311(07/21)	MIM TERR 1(01/15)
MIL 1214(09/17)	MIM 1467 IL(07/21)	IL0017(11/98)	IL0003(09/08)
IL0935(07/02)	IL0952(01/15)	CM0001(09/04)	CM0128(03/99)
CM0204(01/18)			

Special Provisions (if any):

These Declarations, together with the Common Policy Conditions and Coverage Form and any Endorsement(s), complete the above numbered policy.

Countersigned: April 2, 2024 By: 
DATE **AUTHORIZED REPRESENTATIVE**



MARKEL INSURANCE COMPANY

SCHEDULED PROPERTY COVERAGE FORM – LEISURE-RECREATION

VARIOUS PROVISIONS IN THIS POLICY MAY RESTRICT OR EXCLUDE COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE THE INSURED'S RIGHTS AND DUTIES AND WHAT IS AND IS NOT COVERED.

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

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

A. Coverage

We will pay for loss of or damage to Covered Property from any of the Covered Causes Of Loss.

1. Covered Property

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

- a. You own;
- b. Is in your care, custody, or control; or
- c. Building glass if you are a tenant of the building and have a contractual responsibility for loss of or damage to such glass.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities;
- b. Aircraft or watercraft;
- c. Contraband, or property in the course of illegal transportation or trade;
- d. Property after it is sold and delivered or otherwise disposed of, including property sold under a deferred payment sales agreement;
- e. Property while waterborne except while in transit in the care, custody, or control of a carrier for hire;
- f. Real property, including land on which Covered Property is located; or
- g. Vehicles, trailers, or self-propelled machines that are licensed for use on public roads. This does not include detached trailers owned by you or in your care, custody, or control for which you have a contractual responsibility to pay for loss or damage.

3. Covered Causes Of Loss

Covered Causes Of Loss means Direct Physical Loss Or Damage to Covered Property except those causes of loss listed in the Exclusions.

4. Coverage Extension

Debris Removal

- a. We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause Of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the direct physical loss or damage.

- b. The most we will pay under this Coverage Extension is 25% of:
 - (1) The amount we pay for the direct physical loss or damage to Covered Property; plus
 - (2) The deductible in this Policy applicable to that loss or damage.
- c. Payment under this Coverage Extension will not increase the Limit Of Insurance shown in the Declarations as applicable to the Covered Property, but if:
 - (1) The sum of direct physical loss or damage and debris removal expense exceeds the Limit Of Insurance; or
 - (2) The debris removal expense exceeds the amount payable under the 25% limitation;we will pay up to an additional Limit Of Insurance shown in the Declarations in any one occurrence.
- d. This Coverage Extension does not apply to costs to:
 - (1) Extract "pollutants" from land or water; or
 - (2) Remove, restore, or replace polluted land or water.

The Coinsurance and Deductible Conditions do not apply to this coverage.

5. Additional Coverages

The Limits Of Insurance shown in the Declarations for the Additional Coverage is separate from, and will not reduce, the Limit Of Insurance shown in the Declarations as applicable to the Covered Property.

If Coinsurance provisions are part of this Policy, the Additional Coverage is not subject to and not considered in applying the Coinsurance Conditions.

Pollutant Cleanup And Removal

We will pay your expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by or results from a Covered Cause Of Loss that occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause Of Loss occurs.

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

The most we will pay for each location under this Additional Coverage is the applicable Limit Of Insurance shown in the Declarations, for the sum of all covered expenses arising out of Covered Causes Of Loss occurring during each separate 12-month period of this Policy.

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable limits of insurance exceeds the Pollutant Cleanup And Removal Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable limit of insurance. No other deductibles apply to this Additional Coverage.

B. Exclusions

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

Seizure or destruction of property by order of governmental authority.

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

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

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

c. War And Military Action

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

d. Earth Movement

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

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

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

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

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

With respect to coverage for Volcanic Action in **(5)(a)**, **(5)(b)**, and **(5)(c)** above, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

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

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

This exclusion does not apply to Covered Property while in transit.

e. Water

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

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

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

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

This exclusion does not apply to Covered Property while in transit.

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

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

- a.** Contamination, rust or other corrosion, decay, deterioration, hidden or latent defect, or any quality in property that causes it to damage or destroy itself.
- b.** Denting, chipping, marring, or scratching.
- c.** Delay, loss of use, loss of market, or any other consequential loss.
- d.** Dishonest or criminal act (including theft) committed by:
 - (1)** You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;
 - (2)** A manager or a member if you are a limited liability company; or
 - (3)** Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

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

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

This exclusion does not apply to Covered Property in the care, custody, or control of a carrier for hire.

e. Processing or work upon the property.

But if processing or work upon the property results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form.

- f.** Theft from any unattended vehicle unless at the time of theft its windows, doors, and compartments were closed and locked and there are visible signs that the theft was the result of forced entry. But this exclusion does not apply to property in the care, custody, or control of a carrier for hire.
- g.** Unexplained disappearance.
- h.** Shortage found upon taking inventory.
- i.** Artificially generated electrical, magnetic, or electromagnetic energy that damages, disturbs, disrupts, or otherwise interferes with any:
 - (1)** Electrical or electronic wire, device, appliance, system, or network; or
 - (2)** Device, appliance, system, or network utilizing cellular or satellite technology;

creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

For the purpose of this exclusion, electrical, magnetic, or electromagnetic energy includes, but is not limited to, electrical current, including arcing; electrical charge produced or conducted by a magnetic or electromagnetic field; pulse of electromagnetic energy; electromagnetic waves, or microwaves.

But if artificially generated electrical, magnetic, or electromagnetic energy, as described above, results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form.

This exclusion only applies to loss or damage to that article in which the disturbance occurs.

- j. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device, or false pretense.
- k. Unauthorized instructions to transfer property to any person or to any place.
- l. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- m. Theft by any person (except carriers for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

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

- n. Explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines. This exclusion applies only to loss or damage to the steam boilers, steam or gas turbines, steam pipes, or steam engines in which the loss occurred.
 - o. Wear and tear or depreciation.
 - p. Mechanical breakdown (including rupture or bursting caused by centrifugal force), malfunction, or failure to operate.
3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause Of Loss results, we will pay for the loss or damage caused by that Covered Cause Of Loss.
- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals.
 - b. Dampness or dryness of atmosphere.
 - c. Changes in or extremes of temperature.
 - d. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
 - e. Acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body.
 - f. Faulty, inadequate, or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation, or remodeling; or
 - (4) Maintenance;

of part or all of any property on or off the premises where you are conducting operations.

However, with respect to Paragraphs 3.b. and 3.c., we will pay for such loss or damage caused directly by fire, lightning, explosion, windstorm or hail, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by "accident" of the vehicle carrying the property if these causes of loss would be covered under this Coverage Form.

C. Limits Of Insurance

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

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable limits of insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable limit of insurance.

In the event that more than one deductible applies to loss or damage as a result of one occurrence, we will apply only the largest Deductible.

E. Conditions

1. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

a. Coverage Territory

(1) We cover property wherever located within:

- (a) The United States of America (including its territories and possessions);
- (b) Puerto Rico; and
- (c) Canada.

(2) We also cover property being shipped by air within and between points in Paragraph **a.(1)**.

b. Coinsurance

The following condition applies to the Coinsurance Percentage shown in the Declarations:

(1) We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the limit of insurance for the property.

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

- (a) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (b) Divide the limit of insurance of the property by the figure determined in Step (a);
- (c) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (b); and
- (d) Subtract the deductible from the figure determined in Step (c).

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

(2) If one limit of insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

2. Valuation

General Condition **F. Valuation** in the Commercial Inland Marine Conditions is replaced by the following:

F. Valuation

We will determine the value of Covered Property in the event of a loss or damage at replacement cost as of the time of loss or damage. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.

1. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage replacement cost provides if you notify us of your intent to do so within 180 days after the loss or damage.
2. We will not pay on a replacement cost basis for any loss or damage:
 - a. Until the lost or damaged property is actually repaired or replaced; and
 - b. Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage.Instead we will pay on an actual cash value basis.
3. We will not pay more for loss or damage on a replacement cost basis than the least of the following:
 - a. The limit of insurance applicable to the lost or damaged property;
 - b. The cost to replace the lost or damaged property with other property;

- (1) Of comparable material and quality; and
- (2) Used for the same purpose; or
- c. The amount you actually spend that is necessary to repair or replace the lost or damaged property.

F. Definitions

- 1. "Accident" means:
 - a. Upset or overturn of the transporting vehicle; or
 - b. Accidental contact of the transporting vehicle with another vehicle or object, but not including:
 - (1) The roadbed or curbing;
 - (2) Rails or ties of street, steam, or electric railroad; or
 - (3) Any stationary object while backing for loading or unloading purposes.
- 2. "Pollutants" means:
 - a. Any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, reclaimed, or disposed of; and
 - b. Electrical or magnetic emissions, whether visible or invisible, and sound emissions.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

SCHEDULE

Flood Per Occurrence Limit of Insurance	Included
Flood Deductible	Included

A. The following is added to the Covered Causes Of Loss:

We will pay for loss of or damage to Covered Property from:

Flood, meaning a general and temporary condition of partial or complete inundation of normally dry land areas due to:

- a. The overflow of inland or tidal waters;
- b. The unusual or rapid accumulation or runoff of surface waters from any source; or
- c. Mudslides or mudflows which are caused by flooding as defined in **A.b.** above. For the purpose of this Covered Cause Of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All flooding in a continuous or protracted event will constitute a single flood.

B. Exclusions And Limitations

- 1. To the extent that the Water Exclusion might conflict with coverage provided under this endorsement, that part of the Water Exclusion does not apply.
- 2. To the extent that a tsunami causes the overflow of tidal waters, the exclusion of earthquake, in the Earth Movement Exclusion, does not apply.
- 3. The following exclusions and limitations are added and apply to coverage under this endorsement:

- a. We will not pay for any loss or damage caused by or resulting from any Flood that begins before or within 72 hours after the inception date of this endorsement. However, this limitation does not apply to a particular location if Flood coverage was in effect for that location for at least 72 hours immediately prior to the inception date of this endorsement, under a policy issued by us or by another insurer and this Policy replaces the previous policy without a lapse in coverage. If you request and we provide an increase in the stated Limit Of Insurance for Flood during the term of this Policy, with the exception of an increase at the time of renewal of the policy, the increase will not apply to loss or damage from any Flood that begins before or within 72 hours after your request was made.

If the Flood is due to the overflow of inland or tidal waters, then the Flood is considered to begin when the water first overflows its banks.

- b. We will not pay for loss or damage caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.
- c. We do not cover loss or damage caused by Flood to personal property in the open.

- d. We will not pay for loss or damage caused by discharge of water or waterborne material from a sewer, drain, or sump unless such discharge results from Flood and occurs within 72 hours after the Flood recedes.

C. The following is added to the Limits Of Insurance section:

The Flood Per Occurrence Limit Of Insurance shown in the Schedule of this endorsement is the most we will pay in a single occurrence of Flood for loss or damage caused by the Flood.

If a single occurrence of Flood begins during one annual policy period and ends during the following annual policy period, any Flood Per Occurrence Limit Of Insurance applicable to the following annual policy period will not apply to that Flood.

D. With respect only to the coverage provided by this endorsement, the following is added to the Deductible section:

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable limits of insurance exceeds the Flood Deductible shown in the Schedule of this endorsement. We will then pay the amount of the adjusted loss or damage in excess of the Flood Deductible shown in the Schedule of this endorsement, up to the applicable limit of insurance.

In the event that more than one deductible applies to loss or damage as a result of one occurrence, we will apply only the largest Deductible.

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

SCHEDULE

Earthquake And Volcanic Eruption Limit Of Insurance And Deductible	
Per Occurrence Limit of Insurance	Included
Deductible	Included

A. The following are added to the Covered Causes Of Loss:

- a. Earthquake; and
- b. Volcanic Eruption, meaning the eruption, explosion, or effusion of a volcano.

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

B. Exclusions And Limitations

- 1. To the extent that the Earth Movement Exclusion might conflict with coverage provided under this endorsement, the Earth Movement Exclusion does not apply.
- 2. We will not pay for loss or damage caused directly or indirectly by tidal wave or tsunami, even if attributable to an Earthquake or Volcanic Eruption.
- 3. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

C. The following is added to the Limits Of Insurance section:

The Earthquake And Volcanic Eruption Per Occurrence Limit Of Insurance shown in the Schedule of this endorsement is the most we will pay in a single occurrence of Earthquake or Volcanic Eruption for loss or damage caused by the Earthquake or Volcanic Eruption.

If a single Earthquake or Volcanic Eruption begins during one annual policy period and ends during the following annual policy period, any Limit Of Insurance applicable to the following annual policy period will not apply to such Earthquake or Volcanic Eruption.

D. The following is added to the Deductible section:

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable limits of insurance exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable limit of insurance.

In the event that more than one Deductible applies to loss or damage as a result of one occurrence, we will apply only the largest Deductible.

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

SCHEDULE

Description Of Property	Loss Payee (Clause B.1.)	Lender's Loss Payee (Clause B.2.)
Misc. Equipment	As requested and endorsed	As requested and endorsed

A. Nothing in this endorsement increases the applicable limit of insurance. We will not pay any Loss Payee or Lender's Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit Of Insurance on the Covered Property.

B. The following is added to the Loss Payment Loss Condition, as indicated in the Schedule of this endorsement:

1. Loss Payable Clause

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

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

2. Lender's Loss Payable Clause

a. The Lender's Loss Payee shown in the Schedule of this endorsement is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- (1)** Warehouse receipts;
- (2)** A contract for deed;
- (3)** Bills of lading;
- (4)** Financing statements; or
- (5)** Mortgages, deeds of trust, or security agreements.

b. For Covered Property in which both you and a Lender's Loss Payee have an insurable interest:

- (1)** We will pay for covered loss or damage to each Lender's Loss Payee in their order of precedence, as interests may appear.
- (2)** The Lender's Loss Payee has the right to receive loss payment even if the Lender's Loss Payee has started foreclosure or similar action on the Covered Property.

- (3) If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Lender's Loss Payee will still have the right to receive loss payment if the Lender's Loss Payee:
- (a) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (b) Submits a signed, sworn proof of loss within 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 Lender's Loss Payee.

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

- (4) If we pay the Lender's Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
- (a) The Lender's Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
 - (b) The Lender's Loss Payee's rights to recover the full amount of the Lender's Loss Payee's claim will not be impaired.

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

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

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES TO DEFINITIONS – POLLUTANTS

This endorsement modifies insurance provided under the following:

LEISURE-RECREATION COVERAGE FORM
SCHEDULED PROPERTY COVERAGE FORM – LEISURE-RECREATION

The definition of "pollutants" under Section **F. Definitions** is replaced by the following:

"Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, petroleum products and their derivatives, chemicals, and waste. Such irritants or contaminants are "pollutants" whether or not they have any function in your business, "operations", premises, sites, or locations.

Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed, and livestock, poultry, or other animal excrement.

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISCHARGE FROM SEWER, DRAIN, OR SUMP

This endorsement modifies insurance provided under the following:

LEISURE-RECREATION COVERAGE FORM
SCHEDULED PROPERTY COVERAGE FORM – LEISURE-RECREATION

SCHEDULE

Limit of Insurance	\$50,000
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- A. We will pay for direct physical loss or damage to Covered Property, caused by or resulting from:
 - 1. Discharge of water or waterborne material from a sewer, drain, or sump; or
 - 2. Water below the surface of the ground including, but not limited to, water that exerts pressure on or flows, seeps, or leaks through or into a building or structure, sidewalk, driveway, foundation, swimming pool, or other structure.
- B. There is no coverage under this endorsement:
 - 1. For escape or overflow of water from a sump pit not equipped with a sump pump; or
 - 2. If the discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer, drain, sump, sump pump, or related equipment free from obstruction and in proper working condition. This limitation does not apply to sudden mechanical breakdown of a sump pump or its related equipment, provided the breakdown is not the result of an insured's negligence.
- C. To the extent that the Water Exclusion might conflict with the coverage provided under this endorsement, the Water Exclusion does not apply to such coverage.
- D. We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump, or any related parts or equipment.
- E. The most we will pay under this endorsement, for all covered loss and expense in any one occurrence, is the Limit Of Insurance shown in the Schedule of this endorsement. Such Limit Of Insurance is separate from, and will not reduce, the Limit of Insurance shown in the Declarations as applicable to the Covered Property.

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ORGANIC PATHOGENS

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. The following exclusion is added to the Exclusions section:

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

Organic Pathogens

Presence, growth, proliferation, spread, or any activity of "organic pathogens".

This exclusion applies regardless of whether there is any:

- (1) Physical loss or damage to Covered Property;
- (2) Covered Cause Of Loss, whether or not contributing concurrently or in any sequence to the existence of an "organic pathogen";
- (3) Loss of use, occupancy, functionality or decreased valuation of Covered Property; loss of business income or extra expense; or action of civil authority;
- (4) Any action required including, but not limited to, testing, repair, replacement, removal, cleanup, abatement, disposal, relocation, or actions taken to address medical or legal concerns; or
- (5) Any suit or administrative proceeding or action involving the insured.

B. If included in the coverage form, the Virus, Bacterium Or Other Microorganism exclusion is deleted in its entirety.

C. If included in the coverage form, the Additional Coverage, Limited Coverage For "Fungi", Wet Rot And Dry Rot is deleted in its entirety.

D. The following definition is added to the Definitions section:

"Organic pathogen" means:

- a.** Any organic irritant or contaminant, including but not limited to fungus, wet or dry rot, bacteria, virus, or other microorganism of any type, and their by-products such as spores or mycotoxins, or
- b.** Any disease-causing agent as classified by the Environmental Protection Agency.

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

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

CONFIRMATION OF CERTIFIED ACTS OF TERRORISM COVERAGE – TERRORISM RISK INSURANCE ACT

SCHEDULE

Terrorism Premium:	\$0.00
Federal Share Of Terrorism Losses:	80% In 2020

Disclosure Of Premium

We have notified you that under the Terrorism Risk Insurance Act we must make certified acts of terrorism coverage available in the policies we offer.

Certified acts of terrorism coverage has been provided because either you have indicated to us or your agent that certified acts of terrorism coverage is desired or we have provided certified acts of terrorism coverage at no additional charge. If you have chosen to purchase certified acts of terrorism coverage, the premium charge is the amount shown in the Schedule of this notice.

If there is no premium shown above or the premium shown is \$0, there is no separate premium for the coverage during this policy period.

Disclosure Of Federal Participation In Payment Of Terrorism Losses

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



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS

The following is added to this policy:

Trade Or Economic Sanctions

This insurance does not provide any coverage, and we (the Company) shall not make payment of any claim or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such claim or provision of such benefit would expose us (the Company) to a violation of any applicable trade or economic sanctions, laws or regulations, including but not limited to, those administered and enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

All other terms and conditions remain unchanged.



MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS AMENDATORY

This endorsement modifies insurance provided under the following:

LEISURE-RECREATION COVERAGE FORM
SCHEDULED PROPERTY COVERAGE FORM – LEISURE-RECREATION

Paragraph **i.** of **2.** Exclusions under Section **B.** Exclusions is replaced by the following:

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

- i.** Artificially generated electrical current, including arcing that disturbs electrical devices, appliances, or wire.

But if artificially generated electrical current results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form.

This exclusion only applies to loss or damage to that article in which the disturbance occurs.

All other terms and conditions remain unchanged.

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

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

The following is added:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

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

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

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;
- we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. Cap On Certified Terrorism Losses

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

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

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

B. Application Of Exclusions

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

COMMERCIAL INLAND MARINE CONDITIONS

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

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

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

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

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

C. Duties In The Event Of Loss

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

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

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

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

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

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

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

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

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

F. Other Insurance

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

G. Pair, Sets Or Parts

1. Pair Or Set

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

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

2. Parts

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

H. Recovered Property

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

I. Reinstatement Of Limit After Loss

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

J. Transfer Of Rights Of Recovery Against Others To Us

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

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

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

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

B. Control Of Property

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

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

C. Legal Action Against Us

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

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

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

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

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

F. Valuation

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

1. The actual cash value of that property;

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – INTENTIONAL ACTS

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The following exclusion is added:

- A.** We will not pay for loss or damage arising out of any act committed:
 - 1. By or at the direction of any insured; and
 - 2. With the intent to cause a loss.
- B.** However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
 - 1. The loss arose out of a pattern of criminal domestic violence; and
 - 2. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
- C.** If we pay a claim pursuant to Paragraph **B.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Cancellation (Common Policy Conditions) is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
 - 2.a. We may cancel this Policy by mailing to you written notice stating the reason for cancellation at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
 - b. If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - c. If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for less than 60 days.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
3. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this Policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.
6. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the lienholder listed on the Policy.

B. The following is added and supersedes any provision to the contrary:

Nonrenewal

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and to the lienholder listed on the Policy. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

C. General Condition **C. Legal Action Against Us** in the Commercial Inland Marine Conditions is replaced by the following:

C. Legal Action Against Us

No one may bring a legal action against us:

1. Until there has been full compliance with all terms of this Coverage Part; and

2. More than two years after you first have knowledge of the direct loss or damage. But we will extend this two year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.