

CUSTOMER NUMBER: 2024460

RUN DATE: 08-24-22

PALMER AGENCY
2415 CAMPUS DR STE 202
IRVINE, CA 92612-8530

DIANE CLEARY
4009 MESA ST
TORRANCE, CA 90505-6309

Go green. Go paperless.

Switch to **Paperless Delivery*** and help reduce your carbon footprint. View your policy and billing documents, notifications and confirmations of payments online.

Register now through **Commercial My Account**
on Allstate.com

*State exceptions may apply

Important Notice – Customer-Requested Cancellation

When a mid-term cancellation request is made by the customer, an administrative fee may be applied, as allowed by applicable law.

Allstate Business Insurance follows industry standards for processing early cancellation requests.

Please refer to SECTION III – COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I – PROPERTY AND SECTION II – LIABILITY), paragraph A.5. of the BUSINESSOWNERS COVERAGE FORM (BP 00 03). 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.

Policies cancelled prior to the expiration date, by the first Named Insured, will be subject to an **administrative fee also known as a short-rate fee of 10% of the unearned premium.**

*The following is an **example** of the administrative fee calculation, when the refund is less than pro rata:*

An annual policy with a premium of \$1,200 is cancelled 30 days after the start of the policy. Allstate will collect on the unearned premium (the premium that corresponds to the time period remaining on the policy).

Annual Policy Premium: \$1,200 30 days of coverage

Pro rata: .918 (365 days - 30 days coverage = 335 unearned days, divided by 365 days = .918)

Short-rate: .826 (pro rata .918 times .90 (10% short rate fee) = .826)

\$1,200 x .826 = \$991.00 Return Premium

IMPORTANT NOTICE

The premium for your insurance policy is based on a variety of factors, including information you have given us. Factors which can affect your premium include, for example, how many buildings at the same location that are covered by your policy, the age of the buildings, and the type of construction. It is important that you notify us if the information upon which your premium is based is incorrect, incomplete, or changes. For example, improvements to loss control and prevention methods such as improving your sprinkler system, could reduce your premium. We encourage you to contact your agent from time to time to help ensure that you are receiving any premium reductions for which you may qualify.

We are pleased that you've chosen Allstate to help protect your business. Please note that this Important Notice provides only a general description of factors that apply or items that may reduce your premium. If you have any questions about these factors or items that may reduce your premium, please contact your Allstate agent.

CALIFORNIA PREMIUM REFUND DISCLOSURE NOTICE

In accordance with CAL. INS. CODE § 481.(c), we are notifying you that in the event that the first Named Insured cancels the insurance policy, we shall retain 10% of the unearned premium. The premium refunded to you will therefore be calculated as 90% of the pro rata unearned premium.

However, the penalty set forth in the preceding paragraph will not apply under the following circumstances, even if the first Named Insured cancels the policy:

1. The Insured(s) no longer has a financial or insurable interest in the property or business operation that is the subject of insurance; or
2. The policy is rewritten in the same insuring company or company group.

Policy Number
648833305

COMMON POLICY DECLARATIONS
Allstate Insurance Company
2775 Sanders Road, Northbrook, IL 60062
A STOCK INSURANCE COMPANY

Item 1.	Named Insured and Mailing Address	Agent Name and Address
	DIANE CLEARY 4009 MESA ST TORRANCE CA 90505-6309	PALMER AGENCY 2415 CAMPUS DR STE 202 IRVINE CA 92612-8530
Item 2.	Policy Period	From: 11-07-2022 To: 11-07-2023
	at 12:01 A.M., Standard Time at your mailing address shown above.	
Item 3.	Business Description: TAX PREPARATION AND TRANSCRIPTION SERVICES	
	Form of Business: INDIVIDUAL	
Item 4.	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.	
	This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.	
	Coverage Part(s)	Premium
	Commercial Property Coverage Part	
	Commercial General Liability Coverage Part	
	Crime and Fidelity Coverage Part	
	Commercial Inland Marine Coverage Part	
	Commercial Auto (Business or Truckers) Coverage Part	
	Commercial Garage Coverage Part	
	BUSINESSOWNERS POLICY	\$ 974.00
	Terrorism Risk Insurance Act Coverage	
	Terrorism Premium Exclusion of Certified Acts of Terrorism with Exception Covering Certain Fire Losses	\$ 1.00
	Total Policy Premium	\$ 974.00
Item 5.	Forms and Endorsements	
	Form(s) and Endorsement(s) made a part of this policy at time of issue: See Schedule of Forms and Endorsements	

SEE THE IMPORTANT PAYMENT INFORMATION FORM FOR DETAILS ABOUT PAYMENT OPTIONS

Countersigned:

Date: 08-24-22

By: PALMER AGENCY
Authorized Representative

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

Important Payment Information – Please Read Carefully.

Total Premium for the Policy Period

If you pay in installments*	\$974.00
If you pay in full (includes FullPay® Discount)**	\$944.00

Choose one of the following types of payment plans that best meets your needs:

- * Pay in installments.** You will be sent a bill each month. The minimum amount due on each billing statement will include a \$3.50 installment fee. The installment fee may vary by payment method – see below. You can choose to pay more toward your premium, but the monthly installment fee will still apply.
- ** Pay your premium in full and receive the FullPay® Discount.** The amount to pay in full is shown above and will appear on your initial invoice for renewals only. To qualify for this discount on a new business policy, the policy must be paid in full at the time the policy was bound/issued. To qualify for this discount on a renewal policy, the policy must be paid in full by the effective date of the policy. This discount is not applicable to Umbrella or Excess policies. Other restrictions may apply.

Ways to pay

- **Pay using the Allstate® Easy Pay Plan.** You can have the payment automatically deducted from your checking account using the Allstate® Easy Pay Plan. There is a \$1.00 installment fee for each Allstate® Easy Pay Plan payment. (You may be eligible for an Allstate® Easy Pay Plan discount – contact your Allstate representative.)
- **Pay using Recurring Credit Card (RCC).** You can have your payment automatically taken from your credit card each month with recurring credit card payments. There is a \$3.50 installment fee for each Recurring Credit Card payment.
- **Call or Visit your Allstate Agent or Send by Mail.** You may pay your bill by mail or contact your Allstate representative to pay using a one-time electronic check, check, credit or branded debit card.
- **On-Line Banking.** Be sure to enter [account number] as the account number and P.O. BOX 4344, Carol Stream, IL 60197-4344 as the payment address.

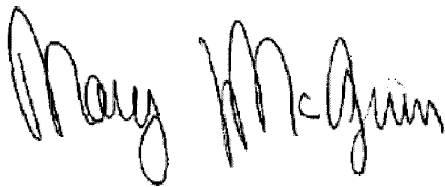
Note: If you are on Allstate® Easy Pay Plan or Recurring Credit Card your automatic deductions will be scheduled based on the payment plan currently applied to your policy. You must contact your agent to change your payment plan.

POLICY NUMBER: 648833305

MULTILINE
AM CW 02 11 09

WITNESS CLAUSE

IN WITNESS WHEREOF, Allstate has caused this policy to be signed by its Secretary and its President at Northbrook, Illinois



Mary Jovita McGinn
Secretary



Thomas J. Wilson
President

Countersigned by : PALMER AGENCY, Authorized Representative

Your Allstate Agency

Allstate relies on thousands of local agencies to assist customers with their insurance decision-making process by providing customers with information and high quality service. These agencies represent Allstate and provide numerous services to customers on its behalf. Agencies are paid a commission by the company for selling and servicing Allstate's insurance policies and may be eligible to receive additional compensation and rewards based on performance.

ALLSTATE CLAIM REPORTING

To report a claim on your Allstate Business Insurance policy, you may contact your agent for assistance or you may report your claim directly by contacting us at the following phone numbers.

To report a claim for:

Commercial Property/ Casualty policies: 1(800) 359-1000

Policy Number
648833305

SCHEDULE OF FORMS AND ENDORSEMENTS

Allstate Insurance Company

Named Insured DIANE CLEARY

Effective Date: 11-07-22

12:01 A.M., Standard Time

Agent Name PALMER AGENCY

COMMON POLICY FORMS AND ENDORSEMENTS

*XB CW 11	05-20	IMPORTANT NOTICE - AUTOMATIC INCREASE
*XB CW 30	07-17	IMPORTANT NOTICE -UNMANNED AIRCRAFT EXCL
DM CA 02	04-21	COMMON POLICY DECLARATIONS
XM CW 13	02-15	IMPORTANT PAYMENT INFORMATION
AM CW 02	11-09	WITNESS CLAUSE
DM CW 12	01-10	SCHEDULE OF FORMS AND ENDORSEMENTS
DM CW 14	01-10	SCHEDULE OF LOCATIONS
*AM CA 03	11-09	CALIFORNIA INDEPENDENT COUNSEL ENDT

BUSINESSOWNERS FORMS AND ENDORSEMENTS

DB CW 01	01-16	BUSINESSOWNERS POLICY DECLARATIONS
DB CW 02	01-16	BUSINESSOWNERS POLICY DECLARATIONS-2
*AB CW 11	01-16	BUSINESS PERSONAL PROP - AUTOMATIC INCR
*HB CW 03	01-14	EQUIPMENT BREAKDOWN COVERAGE
HB CW 30	01-14	CYBERONE COVERAGE
HM CW 50	01-17	MISC PROFESSIONAL LIABILITY ENDORSEMENT
*BP 01 55	07-20	CALIFORNIA CHANGES
*AB CW 01	11-09	EXCLUSION ASBESTOS
AB CW 02	11-09	AMENDATORY ENDORSEMENT
*AB CW 03	01-14	EXCLUSION-LIABILITY FOR HAZARDS OF LEAD
*AB CW 04	01-14	EXCLUSION - MARIJUANA
*AB CW 07	01-14	AMENDATORY ENDORSEMENT
*BC W5 55	01-18	HOME BASED BUSINESS SHIELD FOR PROFESSI
*BP 04 17	01-10	EMPLOYMENT - RELATED PRACTICES EXCLUSION
*BP 04 39	07-02	ABUSE OR MOLESTATION EXCLUSION
*BP 04 92	07-02	TOTAL POLLUTION EXCLUSION
*BP 05 01	07-02	CALCULATION OF PREMIUM
*BP 05 17	01-06	EXCLUSION-SILICA OR SILICA-RELATED DUST
BP 05 24	01-15	EXCL/CERT ACTS - TERROR; COV/FIRE LOSSES
*BP 05 41	01-15	EXCL CERTIFIED AND OTHER ACTS-TERRORISM
BP 05 47	07-13	COMPUTER FRAUD AND FUNDS TRANSFER FRAUD
*BP 05 77	01-06	FUNGI OR BACTERIA EXCLUSION (LIABILITY)
*BP 14 86	07-13	COMMUNICABLE DISEASE
*BP 14 91	07-13	AMNDT - PERSONAL AND ADVERTISING INJURY
*BP 15 04	05-14	EXCL-DISCL OF CONFI INFO & DATA-REL LIAB
BP 15 11	12-16	EXCLUSION - UNMANNED AIRCRAFT
*BP 00 03	07-13	BUSINESSOWNERS COVERAGE FORM

* These forms are part of this policy but are not printed

Policy Number
648833305

SCHEDULE OF LOCATIONS
Allstate Insurance Company

Named Insured DIANE CLEARY

Effective Date: 11-07-22
12:01 A.M., Standard Time

Agent Name PALMER AGENCY

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	4009 MESA ST, TORRANCE, CA 90505-6309	

Policy Number:
648833305

BUSINESSOWNERS POLICY DECLARATIONS
Allstate Insurance Company

Named Insured: DIANE CLEARY

Effective Date: 11-07-2022
12:01 A.M., Standard Time

Agent Name:

Described Premises: See Schedule of Locations
Mortgage Holder Name and Address: See Schedule Of Mortgagees

SECTION I - PROPERTY

Blanket Insurance

Blanket #	Type of Property	Limit of Insurance

Deductibles (Apply per location, per occurrence)

Prem. No.	Property Deductible	Optional Coverage (Other Than Equipment Breakdown Protection Coverage) Deductible	Windstorm or Hail Percentage Deductible
001	\$ 250	\$ 500	

For Additional Deductible Information: See Schedule of Deductibles

Additional Coverages - Optional Higher Limits / Extended Number Of Days (Per Policy)

Coverage	Additional Premium	Limit of Insurance / Extended Number of Days
Forgery or Alteration		
Business Income – Extended Number of Days for Ordinary Payroll Expense		Days
Extended Business Income – Extended Number of Days		Days
Electronic Data - Increased Limit (Section I Property)		
Interruption of Computer Operations - Increased Limit		

Additional Coverages - Optional Higher (Per Premises)

Coverage	Prem No.	Additional Premium	Limit of Insurance

Other: See Schedule of Additional Coverages - Per Premises

	Prem No.	Optional Deductible	Optional Revised Time Deductible
Equipment Breakdown Protection Coverage			

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

DB CW 01 01 16

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Allstate Insurance Company

SECTION II – LIABILITY AND MEDICAL EXPENSES

Each paid claim for the following coverages reduces the amount of insurance we provide during the applicable annual period. Please refer to **Section II - Liability** in the Businessowners Coverage Form and any attached endorsements.

Coverage	Limit of Insurance	
Liability And Medical Expenses	\$ 1,000,000	Per Occurrence
Medical Expenses	\$ 5,000	Per person
Damage To Premises Rented To You	\$ 50,000	Any One Premises
Other Than Products / Completed Operations Aggregate	\$ 2,000,000	
Products/ Completed Operations Aggregate	\$ 2,000,000	

Optional Coverages – Applicable only if an "X" is shown in the boxes below:

Coverage		Limit of Insurance	
☐	Broadened Coverage For Damage to Premises Rented to You		Per Occurrence
☐	Self-storage Facilities – Customer Goods Legal Liability (Optional Increased Limits)		Per Occurrence
☐	Motels – Liability for Guests' Property (Optional Limits)		Per Occurrence Per Guest
☐	Motels – Liability for Guests' Property In Safe Deposit Boxes		Per Occurrence

Deductible**Optional Property Damage Liability Deductible:**☐

Per Claim

☐

Per Occurrence

Forms and Endorsements: See Schedule of Forms and Endorsements**Premium for this Businessowners Policy: \$974.00**

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

DB CW 01 01 16

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Property Details							
Property Coverage Limits of Insurance							
Premises Number	Building Number	Type of Property (Building Or Business And Personal Property)	Actual Cash Value of Building Option (Y/N)	Auto Increase Limit (%) **	Business Personal Property - Seasonal Increase (%)	Blanket # If applicable	Limit of Insurance*
		Building					
001	001	Business Personal Property	N	2	25		\$ 25,437

*Includes Automatic Increase Building and/or Business Personal Property Limit Percentage
 **This percentage can only vary by premises, not by building.

Optional Coverages - Applicable only if an "X" is shown in the boxes below:			
Coverage		Limit of Insurance	
☐	Outdoor Signs		Per Occurrence
☒	Money And Securities	\$ 10,000 \$ 5,000	Inside the Premises Outside the Premises
☐	Employee Dishonesty		Per Occurrence
☒	Equipment Breakdown Protection Coverage	Included	
☐	Burglary And Robbery (Named Peril Endorsement only)		
	Money And Securities (Amount included when Burglary and Robbery Option is selected)		Inside the Premises Outside the Premises
☐	Other (specify): Please see the Schedule of Optional Coverages		

Additional Coverages / Coverage Extension - Optional Higher (Per Classification)			
Coverage	Class Code	Additional Premium	Limit of Insurance
Business Income - Dependent Properties			
Accounts Receivable			
Valuable Papers and Records			
Outdoor Property			
Business Personal Property Temporarily In Portable Storage Units			

Additional Coverage - Business Income From Dependent Properties	
Secondary Dependent Properties	☐ Yes ☐ No

Theft Limitations - Optional Higher Limits (Per Policy)		
Description of Property	Additional Premium	Limit of Insurance

Earthquake/Volcanic Act Percentage Deductible:
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Thank you for being a loyal Allstate Insurance Company customer – we're delighted to have you with us!

Dear Valued Customer,

Here's Your Allstate Business Insurance Renewal Offer

We're pleased to offer to continue your Allstate policy for another twelve months, so you can keep getting:

- Quality coverage at competitive prices
- Access to our knowledgeable, helpful agent network
- The peace of mind of knowing your insurance provider is one of the most experienced in the industry

What's In This Package?

This package contains your insurance documents, including your Renewal Declarations Page—which lists your coverages, coverage limits, premiums and any discounts you're receiving. You'll want to review the Declarations Page to make sure you're comfortable with the coverage choices you've made. Keep in mind that policy documents may change, so you should carefully review them at each renewal.

Your Billing And Renewing

We will send you a payment notice in a separate mailing, which will list several convenient payment options. Please mail your payment to us by the due date indicated to ensure that you're protected.

Renewing your coverage is simple—just make sure we receive the required premium payment when it's due.

Number of Employees?

One of the rating factors used to determine your premium is the number of employees that you have. Currently your policy is showing **1** employee(s). If this information is incorrect, please contact your agent so that they can update your policy to the correct number of employees.

Square Footage?

One of the rating factors used to determine your premium is the square footage of your business if applicable. Currently your policy is showing **1840** square footage. If this information is incorrect, please contact your agent so that they can update your policy to the correct square footage.

Business Entity?

Currently your policy is showing **INDIVIDUAL** as the business entity of your business. If this is incorrect, please contact your agent so that they can update your policy to the correct business entity.

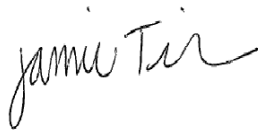
Have Questions?

Feel free to give your Allstate representative a call if you have any questions or if you see something that needs updating—coverages, limits, deductibles. Your Allstate representative will be happy to provide you with any additional information.

We Appreciate Your Business

Thank you for choosing Allstate. We appreciate the opportunity to help you protect what you have today and help prepare you for the future.

Sincerely,

A handwritten signature in black ink that reads "Jamie Trish". The signature is written in a cursive, flowing style.

Jamie Trish
President
Allstate Business Insurance
Allstate Insurance Company

Enclosures

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBERONE COVERAGE

COMPUTER ATTACK AND NETWORK SECURITY LIABILITY

Coverage under this endorsement is subject to the following SCHEDULE:

SECTION 1 – COMPUTER ATTACK

Computer Attack Limit	\$100,000 Annual Aggregate
Sublimits	
Data Recreation	\$5,000
Loss of Business	\$10,000
Public Relations	\$5,000
	Per Occurrence
Computer Attack Deductible	\$10,000 Per Occurrence

SECTION 2 – NETWORK SECURITY LIABILITY

Network Security Liability Limit	\$100,000 Annual Aggregate
Network Security Liability Deductible	\$10,000 Per Occurrence
Network Security Liability Optional Coverage	
3rd Party Business Information	Included

The following is added as an Additional Coverage to the Property section:

SECTION 1 – COMPUTER ATTACK

SECTION 1 – COVERED CAUSE OF LOSS

This Computer Attack coverage applies only if all of the following conditions are met:

1. There has been a “computer attack”; and
2. Such “computer attack” is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such “computer attack” is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

SECTION 1 – COVERAGES PROVIDED

If all three of the conditions listed above in SECTION 1 – COVERED CAUSE OF LOSS have been met, then we will provide you the following coverages for loss directly arising from such “computer attack”.

1. Data Restoration

We will pay your necessary and reasonable “data restoration costs”.

2. Data Recreation

We will pay your necessary and reasonable “data recreation costs”.

3. System Restoration

We will pay your necessary and reasonable “system restoration costs”.

4. Loss of Business

We will pay your actual “business income loss” and your necessary and reasonable “extra expenses”.

5. Public Relations

If you suffer covered “business income loss”, we will pay for the services of a professional public relations firm to assist you in communicating your response to the “computer attack” to the media, the public and your customers, clients or members.

SECTION 1 - LIMITS

The most we will pay under Computer Attack coverage is the Computer Attack Limit indicated for this endorsement. If no limit is shown or is shown as Excluded on the SCHEDULE at the top of this endorsement, then the Computer Attack coverage will be considered to have a limit of \$0.

The most we will pay under Data Recreation coverage for loss (including “business income loss” and “extra expense” related to data recreation activities) arising from any one “computer attack” is the Data Recreation Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Computer Attack Limit. If no sublimit is shown or is shown as Excluded on the SCHEDULE at the top of this endorsement, then the Data Recreation coverage will be considered to have a sublimit of \$0.

The most we will pay under Loss of Business coverage for loss arising from any one "computer attack" is the Loss of Business Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Computer Attack Limit. If no sublimit is shown or is shown as Excluded on the SCHEDULE at the top of this endorsement, then the Loss of Business coverage will be considered to have a sublimit of \$0.

The most we will pay under Public Relations coverage for loss arising from any one "computer attack" is the Public Relations Sublimit indicated for this endorsement. This sublimit is part of, and not in addition to, the Computer Attack Limit. If no sublimit is shown or is shown as Excluded on the SCHEDULE at the top of this endorsement, then the Public Relations coverage will be considered to have a sublimit of \$0.

The Computer Attack Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Section 1 arising out of all "computer attack" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "computer attack" events occurring during that period.

A "computer attack" may be first discovered by you in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "computer attack" will be subject to the Computer Attack Limit applicable to the policy period when the "computer attack" was first discovered by you.

SECTION 1 - DEDUCTIBLE

The Computer Attack coverage is subject to the Computer Attack Deductible indicated in the SCHEDULE for this endorsement. You shall be responsible for the applicable deductible amount as respects loss arising from each "computer attack" covered under this endorsement.

SECTION 2 – NETWORK SECURITY LIABILITY

SECTION 2 – COVERED CAUSE OF LOSS

This Network Security Liability coverage applies only if all of the following conditions are met:

1. You first receive notice of a "network security liability suit" during the policy period for which this endorsement is applicable or any Extended Reporting Periods; and
2. Such "network security liability suit" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

SECTION 2 – COVERAGES PROVIDED

If both of the conditions listed above in SECTION 2 – COVERED CAUSE OF LOSS have been met, then we will provide you the following coverages for loss directly arising from such "network security liability suit".

1. Defense

We will pay your necessary and reasonable "network security liability defense costs".

2. Settlement Costs

We will pay your necessary and reasonable "network security liability settlement costs".

SECTION 2 - LIMITS

Except for post-judgment interest, the most we will pay under Network Security Liability coverage is the Network Security Liability Limit indicated for this endorsement. If no limit is shown or is shown as Excluded on the SCHEDULE at the top of this endorsement, then the Network Security Liability coverage will be considered to have a limit of \$0.

The Network Security Liability Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under Section 2 (other than post-judgment interest) arising out of all "network security liability suits" of which you first receive notice during the present annual policy period or any Extended Reporting Periods. This limit applies regardless of the number of "network security liability suits" of which you first receive notice during that period.

You may first receive notice of a "network security liability suit" in one policy period but it may cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "network security liability suit" (other than post-judgment interest) will be subject to the Network Security Liability Limit applicable to the policy period when notice of the "network security liability suit" was first received by you.

The Network Security Liability Limit for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Network Security Liability Limit for the immediately preceding policy period.

SECTION 2 - DEDUCTIBLE

The Network Security Liability coverage is subject to the Network Security Liability Deductible indicated in the SCHEDULE for this endorsement. You shall be responsible for the applicable deductible amount as respects loss arising from each "network security liability suit" covered under this endorsement.

EXCLUSIONS, ADDITIONAL CONDITIONS AND DEFINITIONS APPLICABLE TO ALL SECTIONS

EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or loss arising from the following:

1. Loss to the internet, an internet service provider, or any computer or computer system that is not owned or leased by you and operated under your control.
2. Costs to research or correct any deficiency.
3. Any fines or penalties.
4. Any criminal investigations or proceedings.
5. Any threat, extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.
6. Your intentional or willful complicity in a covered loss event or your reckless disregard for the security of your computer system or data.
7. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
8. Any "computer attack" occurring prior to the first inception of this CyberOne coverage endorsement or any coverage substantially similar to that described in this endorsement.
9. That part of any "network security liability suit" seeking any non-monetary relief.
10. Any "network security liability suit" arising from a loss, release or disclosure of business data, propagation of malware or denial of service attack that occurred prior to the first inception of this CyberOne coverage endorsement or any coverage substantially similar to that described in this endorsement.
11. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.

ADDITIONAL CONDITIONS

The following additional conditions apply to all coverages under this endorsement.

A. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with reasonable and industry-accepted protocols for:

1. Providing and maintaining appropriate computer and internet security; and
2. Maintaining and updating at appropriate intervals backups of computer data.

B. Duties in the Event of a "Network Security Liability Suit"

1. If a "network security liability suit" is brought against you, you must:
 - a. Immediately record the specifics of the "network security liability suit" and the date received; and
 - b. Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "network security liability suit" is first received by you.
 - c. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "network security liability suit";
 - d. Authorize us to obtain records and other information;
 - e. Cooperate with us in the investigation, settlement or defense of the "network security liability suit";
 - f. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
 - g. Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "network security liability suit".

C. Extended Reporting Periods

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
 - a. You or we cancel this CyberOne coverage;
 - b. You or we refuse to renew this CyberOne coverage; or
 - c. We renew this CyberOne coverage on an other than a claims-made basis or with a retroactive date later than the date of the first inception of this CyberOne coverage endorsement or any coverage substantially similar to that described in this endorsement;
2. If an event as specified in Paragraph 1. has occurred, you shall have the right to the following:
 - a. An Automatic Extended Reporting Period of 30 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us

written notice of a “network liability suit” of which you first receive notice during said Automatic Extended Reporting Period for any propagation of malware, denial of service attack, or if applicable, loss, release or disclosure of business data occurring before the end of the coverage period for this CyberOne coverage and which is otherwise covered by this CyberOne coverage; and

- b. Upon payment of an additional premium of 100% of the full annual premium applicable to this CyberOne coverage, a Supplemental Extended Reporting Period of 1 year immediately following the effective date of cancellation or nonrenewal in which to give to us written notice of a “network liability suit” of which you first receive notice during said Supplemental Extended Reporting Period for any loss, release or disclosure of business data, propagation of malware or denial of service attack occurring before the end of the coverage period for this CyberOne coverage and which is otherwise covered by this CyberOne coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

D. Network Security Liability Defense

1. We shall have the right and the duty to assume the defense of any applicable “network security liability suit” against you. You shall give us such information and cooperation as we may reasonably require.
2. You shall not admit liability for or settle any “network security liability suit” or incur any defense costs without our prior written consent.
3. If you refuse to consent to any settlement

recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such “network security liability suit” independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.

4. We shall not be obligated to pay any damages or defense costs, or to defend or continue to defend any “network security liability suit”, after the Network Security Liability Limit has been exhausted.
5. We shall pay all interest on that amount of any judgment within the Network Security Liability Limit which accrues:
 - a. After entry of judgment; and
 - b. Before we pay, offer to pay or deposit in court that part of the judgment within the Network Security Liability Limit or, in any case, before we pay or offer to pay the entire Network Security Liability Limit.

These interest payments shall be in addition to and not part of the Network Security Liability Limit.

E. Other Data Coverage in This Policy

Some elements of this CyberOne coverage may also be covered under the policy to which this endorsement is attached. If so, this CyberOne coverage will apply as excess, additional coverage. If loss payment has been made under the policy for the same event, the amount of such payment will count towards the deductible that applies to this CyberOne coverage.

F. Services

The following conditions apply as respects any services provided to you by any service firm provided or paid for in whole or in part under this endorsement:

1. The effectiveness of such services depends on your cooperation and assistance.
2. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

DEFINITIONS

With respect to the provisions of this endorsement only, the following definitions are added:

1. “Business Income Loss” means the sum of the:
 - a. Net income (net profit or loss before income

- taxes) that would have been earned or incurred; and
- b. Continuing normal and necessary operating expenses incurred, including employee payroll, actually lost by you during the "period of restoration".
2. "Computer Attack" means one of the following involving a computer or other electronic hardware that is owned or leased by you and operated under your control:
 - a. Unauthorized Access - meaning the gaining of access to your computer system by an unauthorized person or persons; or
 - b. Malware Attack – meaning damage to your computer system or data arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your computer system during the manufacturing process.
 - c. Denial of Service Attack – meaning a deliberate act to prevent third parties from gaining access to your computer system through the internet in a manner in which they are legally entitled.
 3. "Data Recreation Costs"
 - a. "Data recreation costs" means the costs of an outside professional firm hired by you to research, recreate and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
 - b. "Data recreation costs" also means your actual "business income loss" and your necessary and reasonable "extra expenses" arising from the lack of the lost or corrupted data during the time required to research, recreate and replace such data.
 - c. "Data recreation costs" does not mean costs to research, recreate or replace:
 - 1) Software programs or operating systems that are not commercially available; or
 - 2) Data that is obsolete, unnecessary or useless to you.
 4. "Data Restoration Costs"
 - a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs," such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.
 - b. "Data restoration costs" does not mean costs to research, restore or replace:
 - 1) Software programs or operating systems that are not commercially available; or
 - 2) Data that is obsolete, unnecessary or useless to you.
 5. "Extra Expense" means the additional cost you incur to operate your business during the "period of restoration" over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
 6. "Network Security Liability Defense Costs"
 - a. "Network security liability defense costs" means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "network security liability suit" against you. Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
 - b. "Network security liability defense costs" does not mean your salaries or your loss of earnings.
 7. "Network Security Liability Settlement Costs"
 - a. "Network security liability settlement costs" means the following, when they arise from a "network security liability suit":
 - 1) Damages, judgments or settlements; and
 - 2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or court order; and
 - 3) Pre-judgment interest on that part of any judgment paid by us.
 - b. "Network security liability settlement costs" does not mean:
 - 1) Civil or criminal fines or penalties imposed by law;
 - 2) Punitive or exemplary damages;
 - 3) The multiplied portion of multiplied damages;
 - 4) Taxes; or
 - 5) Matters which may be deemed uninsurable under the applicable law.
 8. "Network Security Liability Suit"
 - a. "Network security liability suit" means a civil

proceeding against you in which damages are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. Such proceeding must be based on an allegation that a negligent security failure or weakness with respect to a computer or other electronic hardware that is owned or leased by you and operated under your control allowed one or more of the following to happen:

- 1) The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code.
 - 2) The unintended abetting of a denial of service attack against one or more other systems.
- b. If the 3rd Party Business Information line under Network Security Liability Optional Coverage on the SCHEDULE at the top of this endorsement is marked as Included, then "Network security liability suit" also means a civil proceeding against you in which damages are alleged which is brought in the United States of America, Puerto Rico or Canada and which is based on an allegation that a negligent security failure or weakness with respect to a computer or other electronic hardware that is owned or leased by you and operated under your control allowed the loss, release or disclosure of business data that is owned by or proprietary to a third party. This does not include personally identifying information or other information that is sensitive or personal to individuals. If the 3rd Party Business Information line under Network Security Liability Optional Coverage on the SCHEDULE at the top of this endorsement is marked as Excluded or is blank, then "Network security liability suit" does not include such suits.
- c. "Network security liability suit" includes the following:
- 1) An arbitration or alternative dispute resolution proceeding that you are required to submit to or which we agree you should submit to; or
 - 2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
- d. "Network security liability suit" does not mean any demand or action alleging or arising from property damage or bodily injury.
- e. "Network security liability suit" does not mean

any demand or action brought by or on behalf of someone who is:

- 1) Your director or officer;
- 2) Your owner or part-owner; or
- 3) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action.

9. "Period of Restoration" means the period of time that begins at the time that the "computer attack" is discovered by you and continues until the earlier of:

- a. The date that all data restoration, data recreation and system restoration directly related to the "computer attack" has been completed; or
- b. The date on which such data restoration, data recreation and system restoration could have been completed with the exercise of due diligence and dispatch.

10. "System Restoration Costs"

- a. "System restoration costs" means the costs of an outside professional firm hired by you to do any of the following in order to restore your computer system to its pre- "computer attack" level of functionality:
 - 1) Replace or reinstall computer software programs;
 - 2) Remove any malicious code; and
 - 3) Configure or correct the configuration of your computer system.
- b. "System restoration costs" does not mean:
 - 1) Costs to increase the speed, capacity or utility of your computer system;
 - 2) Labor of your employees;
 - 3) Any costs in excess of the actual cash value of your computer system; or
 - 4) Costs to repair or replace hardware.

All other provisions of this policy apply.

POLICY NUMBER:

648833305

HM CW 50 01 17

**THIS IS A CLAIMS-MADE AND REPORTED COVERAGE ENDORSEMENT. THIS
ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

MISCELLANEOUS PROFESSIONAL LIABILITY ENDORSEMENT

This endorsement applies to insurance provided under the following:

COMMERCIAL GENERAL LIABILITY
BUSINESSOWNERS POLICY

SCHEDULE*

Item 1. Named Insured(s): DIANE CLEARY	
Item 2. Professional Services: TAX PREPARERS (NOT ACCOUNTANTS) - OFFICE	
Item 3. Miscellaneous Professional Liability Limits of Liability (inclusive of "claim expenses"):	Aggregate: \$250,000
Item 4. Deductible:	Each "wrongful act": \$1,000
Item 5. Effective Date:	11-07-2022
Expiration Date:	11-07-2023
Item 6. Retroactive Date:	06-22-2006
Item 7. Premium (applicable to this endorse- ment only):	\$ 249.00
Item 8. Purchased Supplemental Extended Reporting Period	Effective Time: 12:01 A.M. on Extended Reported Period Additional Premium:
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Throughout this Coverage Endorsement (hereinafter referred to as "endorsement"), the words "you" and "your" refer to the "Named Insured(s)" shown in the Schedule above, and any other person(s) or organization(s) qualifying as a "named insured" under this endorsement. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION III. WHO IS AN INSURED.**

Other words and phrases that appear in "quotations" have special meaning. Refer to **SECTION VII. DEFINITIONS.**

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The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this endorsement, unless specifically stated otherwise in an endorsement(s) attached hereto.

SECTION I. WHAT IS COVERED

A. Insuring Agreement

In consideration of the premium charged as stated in Item 7. of the Schedule above, in reliance upon the statements in the application(s) attached hereto and made a part hereof, and subject to the Limits of Liability set forth in Item 3. of the Schedule above and the terms and conditions contained herein, we agree as follows:

We shall pay on your behalf those amounts, in excess of the deductible, you are legally obligated to pay as "damages" resulting from a "claim" first made against you and reported to us during the "MPL Coverage Period" or Extended Reporting Period (if applicable) for your "wrongful act" in rendering or failing to render "professional services" for others for a fee, as shown in Item 2. of the Schedule above, but only if such "wrongful act" first occurs on or after the "retroactive date" and prior to the end of the "MPL Coverage Period".

B. Defense

1. We have the right and duty to defend a "suit" brought against you alleging a "wrongful act" even if the "suit" is groundless, false or fraudulent. We have the right, with your written consent, which consent shall not be unreasonably withheld, to settle any "suit" if we believe that it is proper.

We have the right to investigate any "claim" and, with your written consent, which consent shall not be unreasonably withheld, the right to settle any "claim" if we believe that it is proper.

Your refusal to consent to a settlement may impact our obligations under this endorsement as stated in **SECTION IV. LIMITS OF LIABILITY**, paragraph B.

2. "Claim expense(s)" are part of and subject to our Limit of Liability set forth in Item 3. of the Schedule above. Our duty to defend ends after the applicable Limit of Liability set forth in Item 3. of the Schedule above has been exhausted by payment of "claim expenses" or "damages".
3. Subject to our consent, you may settle any "claim" or "suit" to which this insurance ap-

plies and which are subject to one deductible, where the total incurred "loss" does not exceed the deductible.

4. We shall pay all reasonable costs we ask the insured to incur while helping us investigate or defend a "claim" or "suit". We will not pay more than \$250 per day for earnings lost by the insured because of time taken off from work.

SECTION II. EXCLUSIONS—WHAT IS NOT COVERED

A. This insurance does not apply to:

1. Intentional, Criminal, Fraudulent or Malicious Acts

Any liability arising out of a dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law, or gaining of any profit or advantage to which you are not legally entitled. We will, however, defend "suits" alleging any of the foregoing conduct until a judgment, final adjudication, adverse admission or finding of fact is made against you as to such conduct at which time you shall reimburse us for "claim expenses". We shall not cover any "claim" if you plead *nolo contendere* or no contest to a criminal proceeding against you arising out of the same, or essentially the same, material facts as such "claim".

2. Pollution

Any liability arising out of the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants", or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "pollutants", or in any way respond to or assess the effects of "pollutants".

3. Bodily Injury

Any liability arising out of "bodily injury", provided, however, that this exclusion shall not apply if the Professional Services shown in Item 2. of the Schedule above are any of the following:

- a. Barber
- b. Beautician
- c. Dog Groomer
- d. Fitness Center/Health Club

- e. Kennel/Pet Instruction
 - f. Manicurist
 - g. Massage Therapist
 - h. Optician
 - i. Optometrist
 - j. Personal Trainer
 - k. Process Server
 - l. Safety Consultant
 - m. Veterinarian
4. **Property Damage**
Any liability arising out of "property damage".
 5. **Securities Violations or Racketeering**
Any liability arising out of:
 - a. Any purchase, sale, offer or solicitation of an offer to purchase or sell securities;
 - b. Any violation of any securities law, including the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law; or
 - c. Any violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced And Corrupt Organizations Act, or "RICO"), as amended, or any regulation promulgated thereunder or any federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law.
 6. **Employee Benefit Plans**
Any liability arising out of any breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violations of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 ("ERISA") as amended, or similar statutory or common law of the United States of America or any state or jurisdiction therein.
 7. **Employment Related Practices**
Any liability arising out of any employment practices liability or any discrimination on any basis, including, but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, gender, sexual orientation or pregnancy.
 8. **Previously Reported Claims**
Any liability arising out of the same "wrongful act" or series of continuous, repeated or related "wrongful acts", alleging the same or similar facts, alleged or contained in any "claim" which has been reported, or any "wrongful act" of which notice has been given, under any miscellaneous professional liability endorsement to a policy of which this endorsement to a policy was a renewal, replacement or succeeds in time.
 9. **Intellectual Property Rights**
Any liability arising out of any misappropriation of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right.
 10. **False Advertising, Misrepresentation in Advertising, Antitrust, Unfair Competition, and Restraint of Trade, and Unfair or Deceptive Business Practices**
Any liability arising out of false advertising, misrepresentation in advertising, antitrust, unfair competition, restraint of trade, unfair or deceptive business practices, including but not limited to, violations of any local, state or federal consumer protection laws.
 11. **Government Organizations**
Any liability arising from "claim(s)" against you brought by or on behalf of any federal, state or local government agency or professional or trade licensing organizations; however, this exclusion shall not apply where the "claim" is alleging a "wrongful act" in your rendering "professional services" to such entity.
 12. **Contractual Liability**
Any liability arising from liability you assume under any contract or agreement, including but not limited to, any contract price, cost guarantee or cost estimate being exceeded; however, this exclusion does not apply to liability you would have in the absence of such contract or agreement.
 13. **Cross Suits**
Any liability arising from "claim(s)" against you that are brought by or on behalf of:
 - a. Any insured except as described in **SECTION III. WHO IS AN INSURED**;
 - b. Any business entity that is owned, managed or operated, directly or indirectly, in whole or in part, by you;
 - c. Any parent company, "subsidiary", successor or assignee of yours, or anyone affiliated with you or such business entity through common majority ownership or control; or

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- d. Any independent contractor supplying material or services to you, but, as regards such independent contractor, only with respect to "claims" involving disputes over the ownership or exercise of rights in material or services supplied.
- 14. Prior Knowledge or Known Claims**
Any liability arising out of any "wrongful act" committed prior to the "first inception date" if, as of the "first inception date", you knew or could have reasonably foreseen that such "wrongful act" did or would result in a "claim" against you.
- 15. Prior or Pending Litigation**
Any liability arising from "claim(s)" first made against you prior to, or pending as of, the "first inception date", or relating to the essential facts, circumstances or situation underlying such "claim".
- 16. Fee Disputes**
Any liability arising out of disputes involving:
- a. Your fees or charges, including over-charges, or cost over-runs;
 - b. Collecting your fees from third parties;
 - c. The return of fees or other compensation paid to you; or
 - d. Your cost of correcting or re-performing or completing any "professional services".
- 17. Known Wrongful Acts**
Any liability arising out of any "wrongful act" committed with the knowledge that it was a "wrongful act".
- 18. Over Redemption**
Any liability arising out of "over-redemption" of coupons, awards, or prizes from advertisements, promotions, games, sweepstakes, contests, and games of chance.
- 19. Prior Acts**
Any liability arising out of any "wrongful act" which occurred prior to the "retroactive date".
- 20. Failure to Maintain Insurance**
Any liability arising out of your advising, requiring, obtaining or failing to advise, require or obtain any bond, suretyship or other form of insurance.
- 21. Investment Advice**
Any liability arising out of or resulting, directly or indirectly, from:
- a. The exercise of any authority or discretionary control by an insured with respect to any client's funds or accounts;
 - b. An insured providing investment advice, or selecting an investment manager, investment advisory or custodial firm;
 - c. An insured advising as to, warranting, promising or guaranteeing a future value of any investment or property, or any rate of return or interest;
 - d. Any failure of any investment to perform as expected or desired; or
 - e. Any actual or alleged commingling, misappropriation or improper use of funds or monies.
- 22. Privacy**
Any liability alleging, arising out of, based upon, or in connection with any alleged or actual violation of any person or entity's privacy rights.
- 23. Professional Services**
Any liability arising out of the rendering of or failure to render any of the following "professional services":
- a. Actuarial services, or actuarial assumption;
 - b. Architectural or engineering services; provided, however, that this exclusion shall not apply to Landscape Architects;
 - c. Healthcare or medical services; provided, however, that this exclusion shall not apply to Opticians, Optometrists, and Veterinarians for those services routinely provided by Opticians, Optometrists, and Veterinarians;
 - d. Pharmacy services;
 - e. Law enforcement services;
 - f. Property developer;
 - g. Builder or construction manager; or
 - h. Insurance agent or broker services.
- 24. Your Product**
Any liability arising out of any actual or alleged damages, loss, cost or expense arising out of or in any way related to any actual, alleged or threatened security breach of, or unauthorized access to or unauthorized use of:
- a. Your product;
 - b. Any property containing or incorporating your product;
 - c. Any property on which your service is or was performed; or

- d. Any information and network technology product

by any person or organization, including any insured.
- B. The following exclusions are applied solely based on the Description of Professional Services as shown in Item 2. of the Schedule above. This insurance does not apply to:
 - 1. **If you are a Notary**
Any liability arising out of or resulting, directly or indirectly, from any insured notarizing, certifying or acknowledging any signature not signed before such insured at the time of such notarization, certification or acknowledgment.
 - 2. **If you are a Credit Bureau**
Any liability arising out of, based upon or in connection with the performance of pre-screening services for credit grantors as described in the Code of Federal Regulations, 16 CFR Section 600-5.
 - 3. **If you are a Collection Agent**
 - a. Any liability arising out of or in connection with any debt owned by or purchased by you;
 - b. Any liability arising out of or in connection with any collection agency services performed by you without a bond or license when you knew or could have reasonably foreseen that such alleged collection agency services without a bond or license was contrary to the applicable federal, state or local law, regulation or statute;
 - c. Any liability arising out of any obligation pursuant to any unemployment compensation, unemployment insurance, worker's compensation, disability benefits, retirement benefits, social security benefits or similar laws;
 - d. Any liability arising out of the actual or alleged collection of fees or other remuneration owed to you by a client or customer;
 - e. Any liability alleging, arising out of, based upon or in connection with:
 - (1) Your insolvency or financial impairment; or
 - (2) Any action, ruling or intervention of any federal, state or local governmental agency or office arising out of an actual or alleged insolvency or financial impairment of you;
 - f. Any liability alleging, arising out of, based upon or in connection with:
 - (1) Any title or property search;
 - (2) Any repossession by you or on your behalf. This exclusion shall not apply, however, to execution through judicial means or by a judicial officer; or
 - (3) Any levy, judicial sale or purchase of real property for a profit;
 - g. Any liability alleging, arising out of, based upon or in connection with:
 - (1) Any local, state or federal penal statute or ordinance;
 - (2) Any state or federal administrative action seeking endorsement of any regulation, statute or law;
 - (3) Any order or ruling of any court or administrative or regulatory agency including, but not limited to consent orders, stays or discharges in bankruptcy, judgment and injunctions; or
 - (4) Any federal or state law or regulation governing the extension of credit or lending activities; provided, however, this exclusion shall not apply to civil liability from any actual or alleged collection;
 - h. Any liability alleging, arising out of, based upon or in connection with:
 - (1) Any access to or use of any data or computer systems for purposes other than permissible purposes stated in Section 604(a) of the Fair Credit Reporting Act; or
 - (2) Any unauthorized access or tampering by a non-insured, at the time of the unauthorized access or tampering, with any data or computer systems used by you or for your benefit; or
 - i. Any liability arising out of or in connection with the performance of or failure to perform services as an attorney or accountant.
- 4. **If you are a Claim Adjuster**
Any liability arising out of any intentional or reckless breach of claim authority or claim handling procedures by any claims adjuster.
- 5. **If you are a Real Estate Agent or Broker**

- a. Any liability arising out of or connected with the formulation, promotion, syndication, offer, sale or management of any limited partnership, general partnership, real estate investment trust or other security, including any interest therein;
- b. Any liability alleging, arising out of, based upon, attributable to or in connection with any insured notarizing, certifying or acknowledging any signature not signed before such insured at the time of such notarization, certification or acknowledgment; or
- c. Any liability arising out of or connected with any transaction in which you or any affiliate of yours has a direct or indirect beneficial ownership interest as a buyer, owner or seller of real property; provided, however, this exclusion does not apply to real property to which you have taken legal title solely for immediate resale and have entered into a written contract to sell not later than ninety (90) days after taking legal title.

SECTION III. WHO IS AN INSURED

A. Individual

If you are shown in Item 1. of the Schedule above as an individual, you and your spouse or "Domestic Partner" are insureds, only for the conduct of a business of which you are the sole owner.

B. Partnership or Joint Venture

If you are shown in Item 1. of the Schedule above as a partnership or joint venture, you are an insured. Any past or present general or managing partners, principals, or employees thereof and their spouses are insureds, but only with respect to their duties as such and only with respect to "wrongful acts" otherwise covered under the insurance provided by this endorsement.

C. Limited Liability Company

If you are shown in Item 1. of the Schedule above as a limited liability company, you are an insured. Any past or present managing member, principal, or employee thereof is an insured, but only with respect to their duties as such and only with respect to "wrongful acts" otherwise covered under the insurance provided by this endorsement.

D. Corporation

If you are shown in Item 1. of the Schedule above as a corporation, you are an insured. Any past or present officer, director, trustee, or em-

ployee thereof is an insured, but only with respect to their duties as such and only with respect to "wrongful acts" otherwise covered under the insurance provided by this endorsement.

E. Subsidiary

If you are a "subsidiary" of the "named insured", you are an insured, but only with respect to your duties as such and only with respect to "wrongful acts" committed while you were a "subsidiary" and otherwise covered by this endorsement.

F. Contractual Parties

If the "named insured" is required by contract to add you as an insured under the insurance provided by this endorsement, you are an insured, but only for "wrongful acts" of the "named insured".

SECTION IV. LIMITS OF LIABILITY (including "claim expenses")

The following Limits of Liability apply:

- A. The Limits of Liability set forth in Item 3. of the Schedule above are the most we shall pay for "loss" regardless of the number of persons or entities covered by this endorsement or claimants or "claims" brought. Our total liability for all "loss" arising from all "claims" made against you and reported to us during the "MPL Coverage Period" or any applicable Extended Reporting Period shall not exceed the Limit of Liability set forth in Item 3. of the Schedule above. The aggregate Limit of Liability for any Extended Reporting Period shall be part of and not in addition to the aggregate Limit of Liability set forth in Item 3. of the Schedule above for the "MPL Coverage Period".
- B. Our duty to defend ends if you refuse to consent to a settlement that we recommend and that is acceptable to the claimant. You must then defend the "claim" at your own expense. As a consequence of your refusal, our liability shall not exceed the amount for which the "claim" could have been settled if such recommendation was consented to, plus "claim expenses" incurred by us and "claim expenses" incurred by you with our consent, prior to the date of such refusal. This clause shall not apply to any settlement where the total incurred for "damages" and "claim expenses" does not exceed the deductible.
- C. Two or more policies may be issued by us to you. These policies may provide coverage for:
 - 1. "Claims" arising from the same "wrongful act" or series of continuous, repeated, or related "wrongful acts"; or

2. "Claims" for which persons or organizations covered in those policies are jointly and severally liable.

In any such case, we shall not be liable under this endorsement for an amount greater than the proportion of the "loss" to which this endorsement's applicable Limit of Liability bears to the total applicable limit of liability under all such policies.

In addition, the total amount payable under all such policies combined shall not be greater than the highest applicable limit of liability among all such policies.

SECTION V. DEDUCTIBLE

You shall be responsible for the deductible amount set forth in Item 4. of the Schedule above. The deductible applies to each "wrongful act", and you may not insure against it. All "claims" arising from a "wrongful act" or series of continuous, repeated, or related "wrongful acts" shall be subject to one deductible. Expenses we incur in investigating, defending and settling "claims" and "suits" are included in the deductible. In our sole discretion, we may pay all or part of the deductible to settle a "claim", in which case you agree to repay us promptly after we notify you of the settlement.

SECTION VI. CONDITIONS

A. What You Must Do in the Event of a Claim

Before coverage will apply under this endorsement, you must notify us in writing of any "claim" against you as soon as practicable but in all events not later than:

1. The end of the "MPL Coverage Period" or Extended Reporting Period (if applicable); or
2. Within thirty (30) days after the end of the "MPL Coverage Period", as long as such "claim" was first made against you within the final thirty (30) days of the "MPL Coverage Period" and reported to us no later than thirty (30) days after the date such "claim" was first made against you.

You must also immediately record the specifics of the "claim" and the date you received it and send copies of all demands, suit papers, or other legal documents you receive, as soon as possible to us.

B. Your Assistance and Cooperation

1. You agree to cooperate with and help us:
 - a. In making settlements, subject to subparagraph c. herein;

- b. In enforcing any legal rights you or we may have against anyone who may be liable to you;
- c. By attending depositions, hearings and trials; and
- d. By securing and giving evidence, and obtaining the attendance of witnesses.

2. You shall take such actions which, in your judgment, are deemed necessary and practicable to prevent or limit "loss" arising from your "wrongful acts".
3. You shall not admit any liability, assume any financial obligation or pay out any money without our prior written consent. If you do, it shall be at your own expense. In addition, you shall not take any action, or fail to take any required action, without our written consent, which prejudices our rights under this endorsement.

C. Where Coverage Applies

This endorsement applies to "wrongful acts" committed anywhere in the world, provided that any "claim" must be brought against you in the United States of America, its territories and possessions or Canada.

D. Special Rights and Duties of Named Insured

You agree that when there is more than one person or organization covered under this endorsement, the first "named insured" shall act on behalf of all of you as to:

1. Acceptance of any changes to this endorsement; and
2. Acceptance or refusal of any applicable Extended Reporting Period.

E. Extended Reporting Periods

1. You shall have the right to the Extended Reporting Periods described below in the event that:
 - a. You or we shall cancel the coverage provided under this endorsement; or
 - b. You or we shall refuse to renew the coverage provided under this endorsement.
2. If an event as specified in Paragraph 1. of this Clause E. has occurred, you shall have the right to the following:
 - a. An Automatic Extended Reporting Period of sixty (60) days after the effective date of cancellation or nonrenewal at no additional premium in which to give us written notice of "claims" first made against the insureds during said Automatic Extended Reporting Period for any

“wrongful act” occurring prior to the end of the “MPL Coverage Period” and which is otherwise covered by this endorsement.

The Automatic Extended Reporting Period shall not apply to “claims” that are covered under any subsequent insurance you purchase or which is purchased for your benefit, or that would be covered by such subsequent insurance but for:

- (1) The exhaustion of the amount of insurance applicable to such “claims”; or
- (2) any applicable deductible.

The aggregate Limit of Liability for the Automatic Extended Reporting Period shall be part of, and not in addition to, the aggregate Limit of Liability as stated in Item 3. of the Schedule above.

- b. Upon payment of an additional premium of up to 100% of the full annual premium, a Supplemental Extended Reporting Period of up to one (1) year immediately following the effective date of cancellation or nonrenewal in which to give us written notice of “claims” first made against you during said Supplemental Extended Reporting Period for any “wrongful act” occurring prior to the end of the “MPL Coverage Period” and which is otherwise covered by this endorsement.

As used herein, “full annual premium” means the premium level as stated in Item 7. of the Schedule above and in effect immediately prior to the end of the “MPL Coverage Period”.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due within thirty (30) days of the effective date of cancellation or non-renewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

The Supplemental Extended Reporting Period is not cancelable.

This clause and the rights contained herein shall not apply to any cancellation

resulting from non-payment of premium. Our offer of renewal terms, conditions, limits of liability and/or premiums different from those of the expiring miscellaneous professional liability endorsement shall not constitute a refusal to renew.

The aggregate Limit of Liability for the Supplemental Extended Reporting Period shall be part of and not in addition to the aggregate Limit of Liability as stated in Item 3. of the Schedule above.

If the “named insured” exercises the right to purchase a Supplemental Extended Reporting Period, the Automatic Extended Reporting Period shall be deemed void *ab initio*.

3. Purchased Supplemental Extended Reporting Period

Pursuant to your rights set forth in Paragraph **E.2.b.** above, the following provision applies only if Item 8. of the Schedule above is completed:

- a. Solely with respect to the professional liability coverage provided by this endorsement, within the one (1) year period following the Effective Time (hereinafter referred to as the “Supplemental Extended Reporting Period”), you may report to us by written notice any “claim” first made against you during the Supplemental Extended Reporting Period for any “wrongful act(s)” occurring prior to the Effective Time and otherwise covered by this endorsement.
- b. The entire premium charged for the Supplemental Extended Reporting Period under this paragraph **E.3.** shall be fully earned as of the Effective Time.
- c. The aggregate Limit of Liability for the Supplemental Extended Reporting Period under this paragraph **E.3.** shall be part of, and not in addition to, the aggregate Limit of Liability for the “MPL Coverage Period” stated in Item 3. of the Schedule above.
- d. Notwithstanding any other provision of the policy or this endorsement, the Supplemental Extended Reporting Period coverage under this paragraph **E.3.** shall not provide coverage for any “wrongful act(s)” occurring after the Effective Time.

F. Notice of Circumstance

If during the “MPL Coverage Period” or Extended Reporting Period, if applicable, you become

aware of any facts or circumstances that may reasonably be expected to give rise to a "claim" against you for a "wrongful act" that occurs on or after the "retroactive date" and prior to the end of the "MPL Coverage Period", and provided you give written notice to us during the "MPL Coverage Period" or Extended Reporting Period, if applicable, of the circumstances and the reasons for anticipating such a "claim", with full facts as to the "wrongful act(s)", dates, persons and entities involved, then any "claim" that is subsequently made against you arising out of such "wrongful act" or the same "wrongful act" or series of continuous, repeated or related "wrongful acts", shall, for the purposes of this endorsement, be treated as a "claim" made against you and reported to us during the "MPL Coverage Period".

G. Change in Control of "Named Insured"

In the event of a "transaction", then coverage under this endorsement shall continue until the later of the termination of the "MPL Coverage Period" or such other date upon which we may agree, but only with respect to "wrongful acts" which occurred prior to the "transaction" and are otherwise covered by this endorsement. No coverage shall be provided after the "transaction" unless the "named insured" notifies us of the "transaction" in writing within thirty (30) days of such "transaction".

H. Headings

The descriptions in the headings of this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

I. Declarations and Schedule

By accepting this endorsement, you agree that the statements in the application, Declarations and Schedule above are true, and they are your agreements and representations. This endorsement is issued in reliance upon the truth of those representations.

J. Assignment

The interest of any insured is not assignable. You cannot assign or transfer your interest in this professional liability coverage provided by this endorsement without our written consent.

K. Other Insurance

Such professional liability insurance as is provided by this endorsement shall be excess of any other valid and collectible insurance available to you.

L. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this endorsement.

M. Legal Action Against Us

No person or organization has a right under this endorsement:

1. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
2. To bring legal action against us under this coverage unless there has been full compliance with all terms of this coverage.

A person or organization may sue us to recover an agreed settlement or a final judgment against an insured, but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable Limit of Liability. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

N. 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.

O. Representations

Any and all relevant provisions of this coverage endorsement may be voidable by us in any case of fraud, intentional concealment, or misrepresentation of material fact by any insured.

SECTION VII. DEFINITIONS

- A.** "Bodily injury" means physical injury, sickness or disease, and, if arising out of the foregoing, mental anguish, mental injury, shock, humiliation or death at any time.
- B.** "Claim" means a demand for money or services, including a "suit", arising from your "wrongful act".
- C.** "Claim expenses" mean all reasonable and necessary fees charged by an attorney with our consent and incurred in connection with any

“suit” brought against you alleging a “wrongful act”, as well as all other reasonable and necessary fees, costs and expenses incurred in the defense or investigation of a “claim” by us or by you with our written consent. “Claim expenses” shall also include premiums for appeal bonds, or bonds to release property used to secure a legal obligation, if required in a “claim”; however, we shall have no obligation to appeal or to obtain these bonds. “Claim expenses” do not include salary charges or expenses of you or your employees.

D. “Damages” mean any amount that you shall be legally required to pay because of judgments or arbitration awards rendered against you, or for settlements negotiated by us with your written consent; provided that “damages” shall not include:

1. Any amounts for which you are not financially liable or for which there is no legal recourse against you;
2. The costs and expenses of complying with any injunctive or other form of equitable relief;
3. Punitive or exemplary damages;
4. The multiplied portion of multiplied damages; or
5. Matters that may be deemed uninsurable under the law.

“Damages” shall include:

1. Pre-judgment interest; and
2. Post-judgment interest that accrues after entry of judgment and before we have paid, offered to pay or deposited in court that part of the judgment within the applicable Limit of Liability.

E. “Domestic partner” means any natural person legally recognized as a domestic or civil union partner under:

1. The provisions of any applicable federal, state or local law; or
2. The provisions of any formal program established by you.

F. “First Inception Date” means the inception date of the first Miscellaneous Professional Liability endorsement issued by us to the “named insured” and continually renewed by us until the inception date of this current endorsement.

G. “Loss” means the total sum of “damages” and “claim expenses”. “Loss” shall not mean, and this endorsement shall not cover:

1. Fines, penalties, or taxes;
2. Non-pecuniary relief; or
3. Matters which may be deemed uninsurable under the law pursuant to which this endorsement shall be construed.

H. “MPL Coverage Period” means the period commencing on the effective date shown in Item 5. of the Schedule above. This period ends on the earlier of the expiration date shown thereon or the effective date of cancellation of this coverage endorsement. If you become an insured under this coverage endorsement after the effective date thereof, the “MPL Coverage Period” begins on the date you became an insured.

I. “Named insured” means the individual, entity, partnership, or corporation designated as such in the Schedule above.

J. “Over-redemption” means price discounts, prizes, awards or other valuable consideration given in excess of the total contracted or expected amount.

K. “Personal Injury Peril” means:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor; or
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services.

L. “Pollutants” include, but are not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, asbestos, acids, alkalis, chemicals, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

M. “Professional services” mean those services as described and set forth in Item 2. of the Schedule above.

N. “Property damage” means physical injury to, or loss or destruction of, tangible property including the loss of use thereof; or loss of use of tangible property which has not been physically injured or destroyed.

- O. "Retroactive date" means the date set forth in Item 6. of the Schedule above.
- P. "Subsidiary" shall mean any corporation of which the "named insured" owns on the inception date of the "MPL Coverage Period" more than fifty percent (50%) of the issued and outstanding voting stock either directly or indirectly through a "subsidiary".

"Subsidiary" shall also mean any corporation which becomes a "subsidiary" during the "MPL Coverage Period" provided that such corporation does not represent more than a ten percent (10%) increase in the total assets and/or gross revenue of the "named insured" as of the date of the acquisition. Where such corporation represents an increase in the total assets and/or gross revenue of the "named insured" of more than ten percent (10%), such corporation shall be deemed a "subsidiary" under the policy, but only upon the condition that within ninety (90) days of its becoming a "subsidiary", you shall have provided us with full particulars of the new "subsidiary" and have agreed to any additional premium and/or amendment of the provisions of this endorsement required by us relating to such new "subsidiary", subject to the review and acceptance by us of full and complete underwriting information. Further, coverage as shall be afforded to the new "subsidiary" is conditioned upon the "named insured" paying when due any additional premium required by us relating to such new "subsidiary". A corporation becomes a "subsidiary" when the "named insured" owns more than fifty percent (50%) of the issued and outstanding voting stock either directly or indirectly through one or more of its "subsidiaries", and ceases to be a "subsidiary" at such time when the "named insured" ceases to own more than fifty percent (50%) of the issued and outstanding voting stock.

This endorsement does not provide coverage for any "claim" against a "subsidiary" or any partner, director, officer or employee thereof for any

"wrongful act" that occurred when the "named insured" did not own more than fifty percent (50%) of the issued and outstanding voting stock of such "subsidiary", either directly or indirectly through one or more of its "subsidiaries".

- Q. "Suit" means a civil proceeding for monetary, non-monetary or injunctive relief, which is commenced by service of a complaint or similar pleading. "Suit" includes a binding arbitration proceeding in which "damages" are alleged and to which you must submit or do submit with our consent.
- R. "Transaction" means any of the following that occur during the "MPL Coverage Period":
1. The "named insured" merges into or consolidates with another entity such that the "named insured" is not the surviving entity; or
 2. Another entity, person, or group of entities and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by other entity(ies) or person(s) of more than fifty percent (50%) of the outstanding securities representing the rights to vote for the election of the "named insured's" directors.
- S. "Wrongful act" means any actual or alleged negligent act, error or omission, misstatement or misleading statement, including any of the foregoing that results in a "personal injury peril," but only to the extent committed by your performance of "professional services".

Solely if you are a Collection Agent, as defined by Item 2. of the Schedule above, "wrongful act" also means any actual or alleged violation of the federal Fair Debt Collections Practices Act (FDCPA) or any similar statutory or common law of the United States of America or any state or jurisdiction therein.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM – BP 00 03

The following changes apply to:

SECTION III – COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I – PROPERTY AND SECTION II – LIABILITY)

The following provisions have been added:

What Law Will Apply

This policy is issued in accordance with the laws of the State of California and covers property or risks principally located in the State of California. Subject to the following paragraph, the laws of the State of California shall govern any and all claims or disputes in any way related to this policy.

If a covered loss to property, or any other accidental event for which coverage applies under this policy happens outside the State of California, claims or disputes regarding that covered loss to property, or any other covered accidental event may be governed by the laws of the jurisdiction in which that covered loss to property, or other covered accidental event happened, only if the laws of that jurisdiction would apply in the absence of a contractual choice of law provision such as this.

Where Lawsuits May Be Brought

Subject to the following two paragraphs, any and all lawsuits in any way related to this policy, shall be brought, heard and decided only in a state or federal court located in the State of California. Any and all lawsuits against persons not parties to this policy but involved in the sale, administration, performance, or alleged breach of this policy, or otherwise related to this policy, shall be brought, heard and decided only in a state or federal court located in the State of California, provided that such persons are subject to or consent to suit in the courts specified in this paragraph.

If a covered loss to property, or any other accidental event for which coverage applies under this policy happens outside the State of California, lawsuits regarding that covered loss to property, or any other covered accidental event may also be brought in the judicial district where that covered loss to property, or any other covered accidental event happened.

Nothing in this provision, **Where Lawsuits May Be Brought**, shall impair any party's right to remove a state court lawsuit to a federal court.

All other policy terms, conditions, and exclusions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **B.2.**) applies to property located in the following state(s):

CA

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

A. The following provisions are added to the Businessowners Policy and apply to Property and Liability Coverages:

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

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

- a.** 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
- b.** 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. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

B. The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

1. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

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

2. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.1.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages.

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.

C. The following provision is added to the Businessowners Liability Coverage Form **BP 00 06** or **Section II – Liability** of the Businessowners Coverage Form **BP 00 03**:

1. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

2. The following definition is added:

For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMPUTER FRAUD AND FUNDS TRANSFER FRAUD

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Coverage	Limit Of Insurance
Computer Fraud And Funds Transfer Fraud Coverage	\$10,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section I – Property is amended as follows:

A. With respect to the coverage provided by this endorsement, Paragraph **A.4. Limitations** is amended as follows:

Subparagraph **a.(4)** does not apply.

B. The following is added to Paragraph **A.5. Additional Coverages:**

Computer Fraud And Funds Transfer Fraud

(1) The Computer Fraud And Funds Transfer Fraud Coverage limit shown in the Schedule of this endorsement is the most we will pay for loss of and damage to "money", "securities" and "other property" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:

(a) To a person (other than a messenger) outside those premises; or

(b) To a place outside those premises.

(2) The Computer Fraud And Funds Transfer Fraud Coverage limit shown in the Schedule of this endorsement is the most we will pay for loss of "money" and "securities" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" and "securities" from your "transfer account".

C. With respect to the coverage provided by this endorsement, Paragraph **B. Exclusions** is amended as follows:

1. Paragraph **2.g. False Pretense** does not apply.

2. The following exclusion is added:

We will not pay for loss or damages caused by or resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

D. The following exclusion is added to Paragraph **b.** under **G.2. Money And Securities** Optional Coverages:

(4) Or damage to "money" and "securities" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:

(a) To a person (other than a messenger) outside those premises; or

(b) To a place outside those premises.

E. The following are added to Paragraph **H. Property Definitions:**

15. "Employee"

a. "Employee" means:

(1) Any natural person:

(a) While in your service or for 30 days after termination of service;

- (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you;
- (2) Any natural person who is furnished temporarily to you:
- (a) To substitute for a permanent "employee", as defined in Paragraph (1), who is on leave; or
 - (b) To meet seasonal or short-term work load conditions;
- 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 property outside the premises;
- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (2) above;
- (4) Any natural person who is:
- (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan(s)" insured under this policy; and
 - (b) Your director or trustee while that person is handling "funds" or "other property" of any "employee benefit plan(s)" insured under this policy;
- (5) Any natural person who is a former "employee", director, partner, "member", "manager", representative or trustee retained as a consultant while performing services for you; or
- (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the premises.
- b. "Employee" does not mean:
- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Any "manager", director or trustee except while performing acts coming within the scope of the usual duties of an "employee".
16. "Fraudulent instruction" means:
- a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - b. A written instruction (other than those described in Paragraph A.5.k.) issued by you, which was forged or altered by someone other than you without your knowledge or consent or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
 - c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
17. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property excluded under this policy.
18. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and "securities":
- a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
 - b. By means of written instructions (other than those described in Paragraph A.5.k.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

☐	Bodily Injury And Property Damage: Paragraph A. in this endorsement does not apply if an "X" is shown in the box.
☐	Personal And Advertising Injury: Paragraph B. in this endorsement does not apply if an "X" is shown in the box.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Liability is amended as follows:

A. Exclusion **B.1.g.** is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
 - (i) Less than 51 feet long; and
 - (ii) Not being used to carry persons or property for a charge;
- (c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
 - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (ii) The operation of any of the following machinery or equipment:
 - i. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - ii. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

B. The following is added to Exclusion B.1.p. Personal And Advertising Injury:

This insurance does not apply to:

p. Personal And Advertising Injury

"Personal and advertising injury":

Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- (1) The use of another's advertising idea in your "advertisement"; or
- (2) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to Paragraph F. Liability And Medical Expenses Definitions:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.