(5)

IN THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM HORRY COUNTY
Court of Common Pleas

Diane Schafer Goodstein, Circuit Court Judge

RECEIVED
OCT 25 2016
SC Court of Appeals

Case No. 2015-002095
Appellate Case No. 2015-002095

Donna Jensen ..... Appellant,

v.

Matthew B. Wiseman and Peoples Underwriters, Inc. ..... Respondents.

RECORD ON APPEAL
VOLUME II

Mary Madison Brittain Langway, Esquire
Thomas C. Brittain, Esquire
The Brittain Law Firm, P.A.
4614 Oleander Drive
Myrtle Beach, SC 29577
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1411 First Avenue
Conway, SC 29526
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Attorneys for Appellant

Susan Taylor Wall, Esquire
Henry Wilkins Frampton, IV, Esquire
McNair Law Firm, P.A.
100 Calhoun Street, Suite 400
Charleston, SC 29401
Telephone: (843) 973-6850

Attorneys for Respondents

029-628-659-01-01-042

STATE OF South Carolina)
)
COUNTY OF Horry)

COVENANT NOT TO EXECUTE

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned, Donna & Jeffrey Jensen both individually & as husband & wife, (hereinafter, 'Covenantor') in consideration of the sum of Twenty Five Thousand Dollars and no cents ($25,000.00) paid to them, on behalf of David S. Nelson & Courtney L. Nelson, and/or GEICO Indemnity Insurance Company, the receipt of which is hereby acknowledged, for injuries or damages to person or property resulting or to result to the undersigned from an accident that occurred on or about May 11th 2011 on Singleton Ridge Rd, in or near Conway, South Carolina. In consideration of the payment of the aforesaid sum, the undersigned, for theirselves, their heirs, personal representatives and assigns, does hereby covenant and agree as follows:

1. That they will accept the sum of Twenty Five Thousand Dollars and no cents ($25,000.00) in satisfaction of their claim against David S. Nelson & Courtney L. Nelson and will never at any time execute or attempt to execute any judgment in excess of Twenty Five Thousand Dollars and no cents($25,000.00) against David S. Nelson & Courtney L. Nelson their heirs, personal representatives, or assigns, insurers or indemnitors, for personal injuries arising out of the accident of May 11th 2011 on Singleton Ridge Rd in Conway, South Carolina. However, nothing in this Covenant Not to Execute shall in any way affect the rights of Covenantor to recover any underinsured motorist benefits awarded by their own policy or any other policy by virtue of which they may be insured for underinsured motorist coverage and/or excess liability coverage. To the extent any language in this Covenant Not to Execute is construed to defeat ability to collect any applicable insurance coverage, including any other liability insurance coverage, such language in this Covenant is void to the extent necessary to allow Covenantor to collect such coverage.

2. Covenantor will not execute or otherwise attempt to collect from or against David S. Nelson & Courtney L. Nelson and/or GEICO Indemnity Insurance Company in satisfaction of any claims arising out of the accident any amounts for which coverage is not afforded under applicable motor vehicle insurance policies, it being expressly understood and agreed that Covenantees' personal or estate assets are off limits and hereby protected from a judgment arising out of aforesaid automobile accident.

3. Upon receipt of all such underinsured motorist benefits and/or excess liability coverage determined to be available and to which the said Covenantor may be entitled, they will refrain from instituting, prosecuting, commencing, or in any way aiding any claim or suit against Covenantees or GEICO Indemnity Insurance Company and/or any other persons connected therewith, and all heirs, personal representatives, agents successors and assigns thereof, for and on account of any injuries, damage to person, property or both, for loss of time, loss of service, expenses, impairments or loss of any right or for any other loss, costs or damages in any and every nature whatsoever, sustained by or accrued by the said Covenantor, whether known or unknown, resulting from or in any manner connected with, related to, or growing out of the accident of May 11th 2011.

Covenantor understands and represents that if it becomes necessary to institute or continue with an action against David S. Nelson & Courtney L. Nelson, the undersigned Covenantor will instruct his attorney or attorneys to serve the underinsured motorist carrier simultaneously with the institution of said action as provided by law, so it might defend any action brought against David S. Nelson & Courtney L. Nelson. Further, Covenantor and their attorney expressly agree to keep David S. Nelson & Courtney L. Nelson, and GEICO Indemnity Company informed of developments in their attempts to collect underinsured motorist benefits, including specific notice as to the date

agreement to indemnify includes the payment of all costs and reasonable attorneys fees incurred defending any and all such claims or suits.

6. It is understood and agreed that David S. Nelson & Courtney L. Nelson expressly denies any negligence on his/her/their part, causing or contributing to the accident referred to herein and any liability therefore, and that this agreement is entered for the purpose of preserving the personal assets of David S. Nelson & Courtney L. Nelson while at the same time preserving any and all rights of the Covenantor to collect by any manner, including direct actions against GEICO Indemnity Insurance Policy number 4211700937 issued in the name of David S. Nelson, additional liability coverage and/or underinsured motorist coverage afforded by any policy or policies that may be applicable to the accident referred to herein.

The undersigned expressly represents and warrants that they have consulted with their attorney and understand the effect of the things herein agreed to and that no statements or representations made by any of the persons, firms or corporations on whose behalf this covenant is entered into, nor their agents or representatives have influenced them or induced them to execute and deliver this covenant. Finally, it is agreed that the terms hereof are contractual and not merely a recital and are to be constructed pursuant to the laws of the state of South Carolina.

It is further understood and agreed that the payment of the above said amount is not to be construed as an admission of liability on the part of the persons, firms and corporations released, liability by them being expressly denied.

THE UNDERSIGNED HAS READ THE FOREGOING COVENANT NOT TO EXECUTE AND SETTLEMENT AGREEMENT AND UNDERSTAND IT TO BE A BINDING AGREEMENT.

IN WITNESS WHEREOF, the undersigned has set their hands and seals this the 28th day of February, 2012.

WITNESS:

Ina H Jenkins

Marilyn G. McCormick

Donna M Jensen
Donna Jensen Claimant

Jeffrey William Jensen Sr. Claimant

STATE OF South Carolina

COUNTY OF Horry ss.

On this 28th day of February, 2012 before me personally appeared Donna Jensen and Jeffrey William Jensen, Sr to me known to be the person(s) named in and who executed the above release and acknowledged that they executed the same as their own free act and deed.

Marilyn G. McCormick
Notary for SC
(OFFICIAL TITLE)
My Commission Expires: 11/2/17

KELAHER, CONNELL & CONNOR, P.C.
ATTORNEYS AT LAW
SUITE 209
THE COURTYARD
1500 U.S. HIGHWAY 17 NORTH
P.O. DRAWER 14547
SURFSIDE BEACH, SOUTH CAROLINA 29587

EDWARD T. KELAHER*
GENE M. CONNELL, JR.
L. SIDNEY CONNOR, IV
LISA POE DAVIS
* OF COUNSEL

AREA CODE 843
238-5648
FAX: 238-5050

April 22, 2014

Thomas C. Brittain, Esquire
The Brittain Law Firm, P.A.
4614 Oleander Drive
Myrtle Beach, SC 29577

Re: Donna M. Jensen v. Courtney Lynn Nelson
Case No. 2014-CP-26-819
Our File No. 2014-066D
Claim No.: 0236432290

Dear Tommy:

Enclosed please find the following documents with regard to the above-referenced case:

1. A check in the amount of $25,000.00 for settlement of this matter with the underinsured motorist carrier; and
2. A Policy Release.

Would you please have the Release executed and returned to me in the enclosed envelope before disbursing the settlement funds to your client. Additionally, as no answer was filed, please provide me with a filed copy of the stipulation of dismissal once same is available.

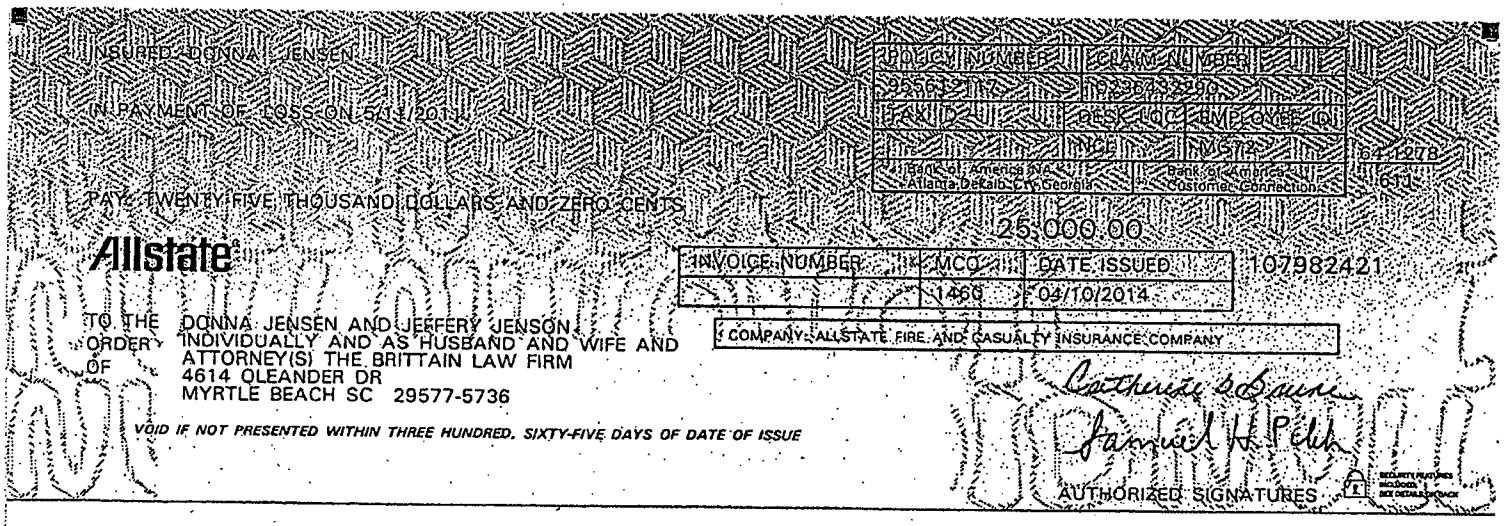
Thank you for your assistance, and please let me know if you have any questions regarding any of these matters.

Sincerely yours,

Lisa Poe Davis

LPD:smt
Enc.

RECEIVED
4/24/14



INSURED: DONNA JENSEN

IN PAYMENT OF LOSS ON 5/11/2013

POLICY NUMBER: 965612717

CLAIM NUMBER: 0423043329

PAY TWENTY FIVE THOUSAND DOLLARS AND ZERO CENTS

25,000.00

Allstate

INVOICE NUMBER	MCO	DATE ISSUED
	1469	04/10/2014

107982421

TO THE ORDER OF
DONNA JENSEN AND JEFFERY JENSON INDIVIDUALLY AND AS HUSBAND AND WIFE AND ATTORNEY(S) THE BRITTAIN LAW FIRM
4614 OLEANDER DR
MYRTLE BEACH SC 29577-5736

COMPANY: ALLSTATE FIRE AND CASUALTY INSURANCE COMPANY

VOID IF NOT PRESENTED WITHIN THREE HUNDRED, SIXTY-FIVE DAYS OF DATE OF ISSUE

AUTHORIZED SIGNATURES

Bank of America, N.A.
Atlanta DeKalb City, Georgia

Bank of America
Customer Connection

64-1278
611

"107982421" :061112788: 329 911 9562"

STATE OF SOUTH CAROLINA COUNTY OF HORRY	)	IN THE COURT OF COMMON PLEAS FIFTEENTH JUDICIAL CIRCUIT
DONNA JENSEN, INDIVIDUALLY, AND THE LEARNING STATION, CDC, LLC, F/K/A FOUR J'S & A D, LLC, D/B/A THE LEARNING STATION, Plaintiffs, vs. MATTHEW B. WISEMAN AND PEOPLES UNDERWRITERS, INC., Defendants.	)	C/A No.: 2014-CP-26-2463 **AFFIDAVIT OF EDWIN STUART POWELL, JR.**

PERSONALLY appeared before me, Edwin Stuart Powell, Jr., who first being duly sworn, deposes and states as follows:

1. I am over the age of eighteen (18) and make this Affidavit based on my personal knowledge.

2. I am currently the Vice President of Technical Affairs for the Independent Insurance Agents of North Carolina, Inc. ("IIANC"), which is a statewide trade association of independent insurance agents representing approximately 750 insurance agencies and more than 6,000 licensed agents.

3. I have been employed by the IIANC in various positions since 1995 and during my tenure I have developed insurance training courses and materials for independent insurance agents and have taught insurance agents errors and omissions loss control and prevention for over thirty years. I also managed the Errors and Omissions insurance program.

4. Prior to my employment with the IIANC, I was president of The Powell Agency, Inc., which was a family owned and operated independent general insurance agency.

5. I am a licensed broker, property and liability insurance agent, and life and health agent and have earned nine professional designations in the insurance industry.

6. I am an approved instructor for insurance continuing education for the State of South Carolina. This approval is obtained through the South Carolina Department of Insurance.

7. I have taught courses to South Carolina insurance agents, including courses on commercial automobile insurance policies.

8. Based upon my 42 years of experience in the insurance industry, I am familiar with the standard of care for independent insurance agents. The standard of care applicable to the insurance agent in this case is the same in South Carolina and North Carolina.

9. I have reviewed the following materials in the case known as *Donna Jensen, et al. v. Peoples Underwriters, Inc., et al.*: (1) deposition of Donna Jensen; (2) deposition of Matthew Wiseman; (3) Complaint; (4) Defendants' Answer to Complaint; (5) Selective Commercial Automobile Insurance Policy at issue; (6) federal court Order from the declaratory judgment action filed by Donna Jensen against Selective Insurance Company; (7) Defendants' Motion for Summary Judgment; (8) Plaintiff's Opposition to Defendants' Motion for Summary Judgment; and (9) Plaintiff's Motion for Summary Judgment.

10. Peoples Underwriters, Inc. ("Peoples") is an independent insurance agency. Independent insurance agents assist their customers in placing insurance with insurance companies. It is the insurance companies that adjust claims and make the ultimate coverage decisions.

11. Donna Jensen ("Jensen") is the owner of a daycare, The Learning Station, CDC, LLC, f/k/a Four J's & A D, LLC, d/b/a The Learning Station ("the Daycare").

12. Before coming to Peoples, Jensen, acting on behalf of the Daycare, purchased insurance for her business for many years. Peoples was not the Daycare's first insurance agency, nor was Peoples its exclusive insurance agency.

13. The Daycare obtained worker's compensation insurance through an agent other than Peoples and obtained various commercial policies through several insurance agencies before coming to Peoples.

14. Jensen individually procured her personal insurance through an agent other than Peoples.

15. The Daycare is a limited liability company ("LLC"). The commercial automobile policy placed by Peoples for the Daycare was correctly titled in the name of the Daycare. It is not the practice of insurance companies to include the name of the owner of a limited liability business as an additional, individual named insured on a commercial automobile insurance policy because the added risk is not priced into the commercial automobile policy and would duplicate the owner's personal automobile insurance.

16. In placing the Daycare's commercial automobile policy, Peoples properly recommended that the Daycare purchase underinsured motorist limits in the same

amount as the Daycare's liability coverage. Such a recommendation is considered best practice in the industry.

17. Peoples had no duty to explain that a commercial automobile insurance policy does not cover workplace injuries. Workplace injuries trigger worker's compensation insurance.

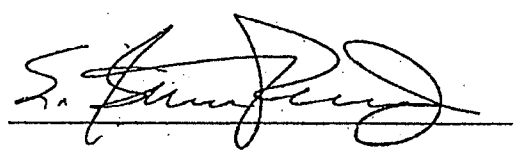
18. The accident on May 11, 2011 was a workplace injury. Jensen was seated at her desk in her office when the accident took place. She was not in or anywhere near the two Daycare buses that were covered under the commercial automobile insurance policy placed by Peoples. It is worker's compensation insurance, not commercial automobile insurance, that is designed to cover the accident on May 11, 2011.

19. Peoples was not the agent for worker's compensation insurance. Peoples offered worker's compensation insurance, but Jensen was not interested in purchasing worker's compensation insurance through Peoples.

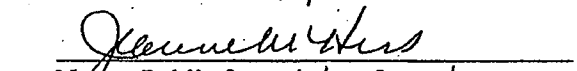
20. Jensen placed the Daycare's worker's compensation insurance through a different agency. Thus, it was the duty of the agent placing worker's compensation insurance to advise to Jensen that, as owner of the Daycare, she would not be covered for workplace injuries (such as the one at issue) unless Jensen specifically elected to include herself under the worker's compensation policy and paid an additional premium. Peoples had no duty in this regard.

21. Based upon my 42 years of experience in the insurance industry and my review of the documents set forth above, it is my opinion, to a reasonable degree of certainty under the standards applicable to independent insurance agents, that Defendants Peoples Underwriters, Inc. and Matthew Wiseman (collectively, "Peoples") complied with the standard of care in placing insurance for the Daycare and did not breach any duty.

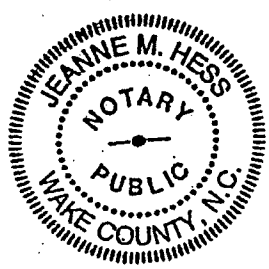
FURTHER AFFIANT SAYETH NOT!

Signature: 

SWORN and subscribed to before me this
the 23rd day of April, 2015.



Notary Public for Wake County
My commission expires: June 21, 2015



COPY

STATE OF SOUTH CAROLINA COUNTY OF HORRY	IN THE COURT OF COMMON PLEAS FIFTEENTH JUDICIAL CIRCUIT CASE NUMBER: 2012-CP-26-4976
Four J's & a D, LLC d/b/a The Learning Station, and Donna M. Jensen, Individually, Petitioners, vs. Selective Insurance Company of the Southeast, and Peoples Underwriters Defendant.	AMENDED DECLARATORY JUDGMENT ACTION

HORRY COUNTY
12 JUL 10 PM 1:35
MEANIE HUGGINS-WARD
CLERK OF COURT

NOW COMES THOMAS C. BRITTAIN on behalf of the Petitioners, Four J's & a D, LLC d/b/a The Learning Station, and Donna M. Jensen, hereby amends this action to strike Defendant Selective Insurance Company of America and petitions the Court for an order determining the rights of the parties hereto; Further, through their attorney they would show unto the Court:

1. That the Petitioner Four J's & a D, LLC d/b/a The Learning Station is a business organized and existing under the laws of the State of South Carolina and doing business in Horry County, South Carolina.

2. That the Petitioner Donna M. Jensen is a citizen and resident of Horry County, South Carolina.

3. That the Defendant Selective Insurance Company of the Southeast is, upon information and belief, an insurance company organized and existing under the laws of the State

of North Carolina and doing business, among other in the State of South Carolina, County of Horry; and that said Defendant has contractual duties to Petitioner

4. That the Defendant Peoples Underwriters is, upon information and belief, an insurance agency organized and existing under the laws of the State of South Carolina and doing business in the County of Horry;; and that said Defendant had contractual duties to provide a viable policy of protection to Petitioner against certain losses.

5. That this court has jurisdiction of the matters contained herein. This is a declaratory judgment action brought to determine coverage as to these circumstances. (See S.C. Code Ann. § 15-53-10)

6. That Mrs. Jensen owns and operates Four J's & a D, LLC d/b/a The Learning Center as a day care facility.

7. That Mrs. Jensen has an insurance policy with Selective Insurance Company of the Southeast covering several vehicles, including two buses that are used in association with the operation of the day care facility. The insurance policy provides Mrs. Jensen and others up to one million ($1,000,000) dollars of underinsurance coverage.

8. That on May 11, 2011 while Mrs. Jensen was working at her desk in her office, Courtney Lynn Nelson drove her car into the exterior wall of the office causing serious injury to Mrs. Jensen.

9. That due to these injuries, Mrs. Jensen has had numerous surgeries and continues to suffer significant health problems as a result of this collision.

10. That Courtney Lynn Nelson has only twenty-five thousand ($25,000) dollars of insurance coverage through her automobile insurance policy; that all has been tendered under a

covenant not to execute.

11. That Mrs. Jensen's medical expenses exceed $100,000.00; that the Defendant Selective Insurance Company of the Southeast has refused to cover her losses; that she is a covered person under the law for such underinsurance coverage.

12. That, according to South Carolina Code Section 38–77–160, if none of the insured's vehicles is involved in the accident, coverage is available to the extent of coverage on any one of the vehicles with underinsured coverage; further, that policy exclusions to the contrary are void under the law.

WHEREFORE, the Petitioners respectfully request this Court to inquire upon and order the following:

That Mrs. Jensen is entitled to receive the underinsurance coverage even though her insured vehicles were not involved in the accident.

THE BRITTAIN LAW FIRM, P.A.

Thomas C. Brittain, Esquire
Mary Madison Brittain Langway, Esquire
4614 Oleander Drive
Myrtle Beach, SC 29577
(843) 449.8562
(843) 497.6124 (Fax)
Attorney for Petitioner

Myrtle Beach, SC
7 - 5 - , 2012

Dana D. Groome, CPCU, CIC

From: MattW@peoplesunderwriters.com
Date: Tuesday, April 6, 2010, 2:33pm
To: djensen104@aol.com
Cc: Matt Wiseman
Subject: Greetings from the Past

Donna:

Hope you and your family are doing well. I had a thought about you the other day. I work at Peoples Underwriters in Carolina Forest. It's an Insurance Agency. We had one of our Company people come by the office and fill us in on a new Day Care Program they have developed. I tried it on one that I currently insure and it seems to be fairly competitive with some pretty good coverages. We were actually able to save them a couple of thousand dollars! If you are happy where you are, I certainly do not want to mess up a relationship but, if you would like for me to take a look at what you have and see if we can improve coverages and/or save some money, please let me know. I do not mind coming by to see you and talk.

Take care and tell your family Sarah and I said hello!!

PS -- Alexis just turned 16 Sunday!! Oh my!! I cannot believe she is that old yet!!

Matt Wiseman, CIC, CISR

Peoples Underwriters, Inc.

843-903-5746 (Phone)

843-903-5740 (Fax)

www.peoplesunderwriters.com <http://www.peoplesunderwriters.com/>

COVERAGE NOTICE: Please remember that insurance coverage cannot be assumed bound or changed without speaking to or receiving a written confirmation from one of our licensed agents.

CONFIDENTIALITY NOTICE: This message, including any attachments, is exclusively for the review of the addressee. If you are not the addressee or an approved appointed receiver and have access to this e-mail, it is strictly prohibited for you to read and review the information contained in this message. Some of this message may contain highly confidential information. Please do not disclose any of the information in this e-mail to others. We ask that you immediately notify the sender by replying to this e-mail and delete this message from your system.

Dana D. Groome, CPCU, CIC

From: MattW@peoplesunderwriters.com
Date: Monday, April 12, 2010, 4:31pm
To: djensen104@aol.com
Cc: Matt Wiseman
Subject: The Learning Center Insurance

Donna:

Thank you for meeting with me today to discuss your Insurance. I do need a couple of more things from you:

1) Federal ID Number -- I need this for the Workers Compensation

2) Do you know who your current Workers Compensation Carrier is??

3) VIN Numbers for the Busses...

4) Drivers of the Busses -- Names, Dates of Birth and DL Number

5) Loss Information -- Details of any loss. At some point if we are able to write, I will need to get what is called a Loss Run Report. I will help you get this.

6) Do you provide Medical Insurance for your Employees??

7) With regards to the Workers Compensation Payroll -- are you, Jeff, and Jeffrey INCLUDED for coverage?? If you are EXCLUDED, what would your bi-weekly payroll be without ya'll in it??

Sorry to ask so many questions!! But, I think this is what I will need to get things going.

Thank you again for the opportunity!!

Matt Wiseman, CIC, CISR

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843-903-5746 (Phone)

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Dana D. Groome, CPCU, CIC

From: DJensen104@aol.com
Date: Wednesday, April 14, 2010, 7:24pm
To: Matt Wiseman
Cc:
Subject: Re: The Learning Center Insurance

Matt, I am not at the office so I dont have most of the info you are asking for.... let's just focus on the building/liability insurance for now since that is time sensitive....

We have had one claim, which was the flood, and it was for $95,000. I have to make a decision tomorrow, and I have gotten a much lower quote than the one I gave you, it is about $3000 lower.

Thanks

Donna

In a message dated 4/12/2010 5:33:40 P.M. Eastern Daylight Time, MattW@peoplesunderwriters.com writes:

Donna:
Thank you for meeting with me today to discuss your Insurance. I do need a couple of more things from you:
1) Federal ID Number -- I need this for the Workers Compensation
2) Do you know who your current Workers Compensation Carrier is??
3) VIN Numbers for the Busses...
4) Drivers of the Busses -- Names, Dates of Birth and DL Number
5) Loss Information -- Details of any loss. At some point if we are able to write, I will need to get what is called a Loss Run Report. I will help you get this.
6) Do you provide Medical Insurance for your Employees??
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Sorry to ask so many questions!! But, I think this is what I will need to get things going.
Thank you again for the opportunity!!
Matt Wiseman, CIC, CISR
Peoples Underwriters, Inc.
843-903-5746 (Phone)
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message. Some of this message may contain highly confidential information. Please do not disclose any of the information in this e-mail to others. We ask that you immediately notify the sender by replying to this e-mail and delete this message from your system.

May 21, 2010

Four J's & AD, LLC dba
The Learning Station
Mrs. Donna Jensen
690 Singleton Ridge Road
Conway, SC 29526

Dear Donna:

We'd like to take this opportunity to thank you for placing your Commercial Package policy with our agency. Coverage has been placed with Selective Insurance Co. of the Southeast, effective 04/17/10. Also included is your Property policy on the building, placed with Sentinal/Hartford Insurance, effective 04/17/10. Additionally, your Accident policy is enclosed, issued by Hartford Life & Accident Co. effective 04/16/10.

Please review the enclosed policies to verify the information and coverages. If you have made any changes since the inception of your policies, have interest in additional coverages or just have questions, please give your own personal Customer Service Representative, Sue E. Ewald, CIC, CISR, a call.

As a member of the local community, we have been meeting the insurance needs of area residents for over 50 years. We attribute our success to a combination of competitively priced products and superior customer service. Our clients are also a key part of our success because we grow our business through client referrals. If you have a friend who could benefit from the service we offer, please provide them with our name and telephone number.

We look forward to serving you in any way that we can. We sincerely appreciate your business.

Kind personal regards,

PEOPLES UNDERWRITERS, INC.

Matt Wiseman, CIC, CISR
Assistant Vice President
Commercial Lines New Business

Enclosure

Peoples_000650

Dana D. Groome, CPCU, CIC

From: MattW@peoplesunderwriters.com
Date: Wednesday, June 2, 2010, 9:34am
To: DJensen104@aol.com
Cc: Matt Wiseman
Subject: RE: Learning Station

Donna:

That is pretty funny!! That has happened to me before and I was like "Man, this is really bad!" Not to worry. We will keep an eye out for things and make sure nothing cancels.

One thing I do want to talk with you about at some point is Workers Compensation. Do you know if you have this coverage or not?? If not, it probably is something you should strongly consider. If you would like for me to quote for you all I need is your Federal ID Number and Annual Payroll.

Thank you again for the opportunity to work with you.

Take care!!

Matt

From: DJensen104@aol.com [mailto:DJensen104@aol.com]
Sent: Tuesday, June 01, 2010 5:23 PM
To: Matt Wiseman
Subject: Learning Station

Ok,... are you familiar with "Blonde" moments or brain overload? You are going to kill me but somehow I mailed my check for Selective to Premium Finance! It just came back to me in the mail! UGHGHGHGH that is what I get for rushing! In the same mail today I also got a letter from Selective saying I had til June 15 to pay or it would be canceled. I will send it back out today.... as soon as I know the actual monthly amount, I will put it in my automatic bill pay, and there won't be a problem again! So sorry.... just wanted to let you know in case you got the same letter.

Sincerely

"Trying to Juggle to Many (base) Balls"!

May 6, 2013

The Learning Station CDC, LLC
Mrs. Donna Jensen
690 Singleton Ridge Road
Conway, SC 29526

Re: Commercial Package CCP2001171200
Effective 04/17/13

Dear Donna:

Enclosed is your Commercial Package Policy, which was rewritten with Markel Insurance Company, effective 04/17/13. This rewrite was necessary in order to consolidate your policies and offer a better annual premium. Also enclosed are your new Workers Compensation Policy, written by Accident Fund Insurance Co, effective 04/17/13; and your Accident Policy renewal from Hartford Life & Accident Insurance Co., effective 04/16/13. We appreciate the opportunity of providing the new Workers Compensation coverage for you.

Please note that there is one difference on your Commercial Auto Policy that I would like to point out. Your Auto Policy is written with Symbols 7, 8 and 9 which gives you coverage for Autos specifically listed on your policy. Your policy through Selective Insurance used a Symbol 1 which covered Any Auto. Where this would come into play is that should you acquire a new vehicle, you would need to notify us immediately so that we can have the new vehicle added. You have a 30 day window to notify us of any newly acquired Autos.

Please take a few minutes to review the policies. If any of this information is incorrect or if you have any specific questions, please let me know. Thank you for your business.

Sincerely yours,

PEOPLES UNDERWRITERS, INC.

Matt Wiseman CIC CISR

Enclosures

or: Customers

	Date & Time Entered	Catg	Plan	A B D	Op	Csr	Co	Pr	Type	St	Cl	S	Ref	Amount
esday, May 25, 2010														
e Learning Station CDC, LLC	05/25/10 4:16pm	NEWR	PHR	1 2	AJ	SE		MBW		SE		N	NEVER RESPONDED	0.00
s. Donna Jensen														
0 Singleton Ridge Road														
nway, SC 29526														
-R PH-B 843-349-0108														
st# THELE-1														

FLD? EPLI? WC? Looks like btwn HAR,

Oper: AJ Date: 05/25/10 4:16pm
SEL y'all got all the stretches and pacs! :)

Oper: SE Date: 06/01/10 8:44am
WC not at this time; emailed Matt re: flood & EPL*

Total 05/25/10	(	1)	0.00
Average Non-Zero Amount	(	0)	0.00

day, May 28, 2010

e Learning Station CDC, LLC	05/28/10 10:38am	PHON	PHR	1 2 1 MW	MW	SSE	MBW	PCKG	MW		N	NEVER RESPONDED	0.00
s. Donna Jensen													
0 Singleton Ridge Road													
nway, SC 29526													
-R PH-B 843-349-0108													
st# THELE-1													

called and left message for

Oper: MW Date: 05/28/10 10:38am
Donna to call me back. need to discuss WC and getting copy of License. heard back from her??

Total 05/28/10	(	1)	0.00
Average Non-Zero Amount	(	0)	0.00

sday, June 02, 2010

Learning Station CDC, LLC	06/02/10 9:36am	EMAL	PHR	1 2 1 MW	MW	SSE	MBW	PCKG	MW		N	NEVER RESPONDED	0.00
. Donna Jensen													
Singleton Ridge Road													
nway, SC 29526													
R PH-B 843-349-0108													
t# THELE-1													

sent e-mail to Donna about

Oper: MW Date: 06/02/10 9:36am
WC. let her know that if she didn't have, should probably strongly consider. asked for FEIN and Payroll. heard from her??

Oper: MW Date: 06/16/10 2:14pm
called and left message for Donna to call me back to discuss WC. heard from her??

Total 06/02/10	(	1)	0.00
Average Non-Zero Amount	(	0)	0.00

day, June 04, 2010

Learning Station CDC, LLC	06/04/10 3:21pm	ATCH	PHR	1 2 1 DG	MW	SSE	MBW	PCKG	SE		Y	S1940117		0.00
. Donna Jensen														
Singleton Ridge Road														
nway, SC 29526														
R PH-B 843-349-0108														
t# THELE-1														

see attached cancellation

Oper: DG Date: 06/04/10 3:21pm
CANC attached - from Selective. Billing screen to be updated & activity set up re: REIN In. Thanks, DG

Total 06/04/10	(	1)	0.00
Average Non-Zero Amount	(	0)	0.00

, June 11, 2010

Learning Station CDC, LLC	06/11/10 2:02pm	EMAL	PHR	1 2	SE	SE		MBW		SE		Y		0.00
. Donna Jensen														
Singleton Ridge Road														
way, SC 29526														
R PH-B 843-349-0108														
t# THELE-1														

Email attached-

Oper: SE Date: 06/11/10 2:02pm
SEL receipt/pmt posted online today/PUI recd ck. Do we have reinst?

Customers

	Date & Time Entered	Catg	Plan	A B D	Op	Csr	Co	Pr	Type	St	Cl	S	Ref	Amount
Tuesday, July 30, 2002														
Mr. Jeffery Jensen	07/30/02	FLET		1 2 1	DH					DH		Y		0.00
126 Blackberry Ln. Myrtle Beach, SC 29579-1709 PH-R 843-236-7325 PH-B 843-222-4601 Cust# JENSJE1	Introductory letter mailed Oper: Date: to prospect.													
									Total 07/30/02			(	1)	0.00
									Average Non-Zero Amount			(	0)	0.00
Friday, April 15, 2011														
Mr. Jeffery Jensen	04/15/11 9:38am	IHRF	TEL	1 2	RC	BS		RJC		RC		Y		0.00
126 Blackberry Ln. Myrtle Beach, SC 29579-1709 PH-R 843-236-7325 PH-B 843-222-4601 Cust# JENSJE1	Matt referred Mr jensen Oper: RC Date: 04/15/11 9:38am to me for an auto quote. He currently has allstate. His son Jason has a couple of violations and I wa unable to beat the Allstat rate. Also I recommended he increase his liability limits to at least 100/300 as he currently has minimum limits..													
Mr. Jeffery Jensen	04/15/11 9:42am	QUOT	TEL	1 2	RC	BS		RJC		RC		Y		0.00
26 Blackberry Ln. Beach, SC 29579-1709 843-236-7325 PH-B 843-222-4601 Cust# JENSJE1	Xdate is March and sept. Oper: RC Date: 04/15/11 9:42am Try to quote him again in Sept. Freda is scanning his current policy info.Status? Oper: RC Date: 09/16/11 8:37am requoted and the rate went down with TRV to 1825. That is about what it was with Allstate the last renewal . Gave to matt to look at.													

Peoples_002572

PROGRESSIVE®

III/CHRIS M JOHNSON
1501 MAIN ST
CONWAY, SC 29526

Named Insured:
FOUR J'S AND A. D. LLC
THE LEARNING STATION
690 SINGLETON RIDGE
CONWAY, SC 29526

Policy number: 03476945-0
United Financial Casualty Company
REFERENCE NUMBER: 39-0026031
April 14, 2006
Policy Period: Apr 13, 2006 - Apr 13, 2007

personal.progressive.com
Make payments, check billing activity or check status of a claim.

843-248-5703
III/CHRIS M JOHNSON
Contact your agent during business hours.

800-876-7206
For policy service and claims service.
P.O. Box 94903
Cleveland, OH 44101

Commercial Auto Insurance Coverage Summary
This is your Declarations Page

Your coverage began the later of April 13, 2006 at 12:01 a.m. or at the time your application is executed on the first day of the policy period. This policy period ends on April 13, 2007 at 12:01 a.m.

Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z228 (07/05), 2852SC (10/04), 4852SC (08/04), 4757SC (09/04), 4792A (01/03) and 4881SC (10/04).

The named insured organization type is a corporation.

Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			$1,172
Bodily Injury and Property Damage Liability	$300,000 combined single limit		
Uninsured Motorist Bodily Injury	$100,000 combined single limit		65
Underinsured Motorist Bodily Injury	$100,000 combined single limit		82
Underinsured Motorist Property Damage	$100,000 combined single limit	$0	4
Uninsured Motorist Property Damage	$100,000 combined single limit	$200	18
Medical Payments	$1,000 each person		32
Comprehensive			49
See Schedule Of Covered Autos	Limit of liability less deductible		
Collision			78
See Schedule Of Covered Autos	Limit of liability less deductible		
Subtotal policy premium			**$1,500**
South Carolina Uninsured Motorist Fund charge			2
Total 12 month policy premium			**$1,502**

Rated driver

1. DONNA JENSEN

Form 6489 (05/02)

Progressive 0076

Auto coverage schedule

1. **1995 Chevrolet G30**
VIN: 1GBHG31K9SF121727

Stated Amount: $5,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM BI	UIM BI	UIM PD	UM PD	Med Pay	
Liability Premium	$1,172	$65	$82	$4	$18	$32	
Physical Damage	**Comp/Glass Deductible**	**Comp/Glass Premium**	**Collision Deductible**	**Collision Premium**			**Auto Total**
Premium	$500/$0	$49	$500	$78			**$1,500**

Important Cancellation Information

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

Form 4790 SC (12/02)

Form 6489 (05/02)

Progressive 0077

III/JOHNSON INS GRP
4490 SOCASTEE BLVD
MYRTLE BEACH, SC 29588

drive
INSURANCE FROM PROGRESSIVE

Named insured

FOUR J'S AND A. D. LLC
THE LEARNING STATION
690 SINGLETON RIDGE
CONWAY, SC 29526

Policy number: 03476945-1
Underwritten by:
United Financial Casualty Company
REFERENCE NUMBER: 39-0026031
May 12, 2007
Policy Period: Apr 13, 2007 - Apr 13, 2008

driveinsurance.com
Online Service
Make payments, check billing activity, print policy documents, or check the status of a claim.

843-248-5703
III/JOHNSON INS GRP
Contact your agent for personalized service.

800-444-4487
For customer service if your agent is unavailable or to report a claim.
PO Box 94739
Cleveland, OH 44101

Commercial Auto Insurance Coverage Summary

This is your Declarations Page
Your coverage has changed

Your coverage began on April 13, 2007 at 12:01 a.m. This policy expires on April 13, 2008 at 12:01 a.m.

This coverage summary replaces your prior one. Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z228 (07/05), 2852SC (12/05), 4852SC (08/04), 4757SC (09/04), 4792A (01/03) and 4881SC (10/04).

The named insured organization type is a corporation.

Policy changes effective May 11, 2007

Premium change:	$1,357.00
Changes:	The auto coverage schedule has changed.

The changes shown above will not be effective prior to the time the changes were requested.

Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			$2,114
Bodily Injury and Property Damage Liability	$300,000 combined single limit		
Uninsured Motorist Bodily Injury	$100,000 combined single limit		130
Underinsured Motorist Bodily Injury	$100,000 combined single limit		164
Underinsured Motorist Property Damage	$100,000 combined single limit	$0	8
Uninsured Motorist Property Damage	$100,000 combined single limit	$200	36
Medical Payments	$1,000 each person		75
Comprehensive			140
See Schedule Of Covered Autos	Limit of liability less deductible		
Collision			203
See Schedule Of Covered Autos	Limit of liability less deductible		
Subtotal policy premium			**$2,870**
South Carolina Uninsured Motorist Fund charge			4
Total 12 month policy premium			**$2,874**

Rated driver

1. DONNA JENSEN

Auto coverage schedule

1. **1995 Chevrolet G30**
VIN: 1GBHG31K9SF121727
Stated Amount: $5,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM BI	UIM BI	UIM PD	UM PD	Med Pay	
Liability Premium	$1,074	$65	$82	$4	$18	$33	
Physical Damage Premium	Comp/Glass Deductible	Comp/Glass Premium	Collision Deductible	Collision Premium			Auto Total
	$500/$0	$60	$500	$86			**$1,422**

2. **1995 GMC G3500**
VIN: 1GDHG31Y8SF522116
Stated Amount: $3,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM BI	UIM BI	UIM PD	UM PD	Med Pay	
Liability Premium	$1,040	$65	$82	$4	$18	$42	
Physical Damage Premium	Comp/Glass Deductible	Comp/Glass Premium	Collision Deductible	Collision Premium			Auto Total
	$500/$0	$80	$500	$117			**$1,448**

Premium discount

Policy	
03476945-1	Renewal

Important Cancellation Information

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

Form 4790 SC (12/02)

Form 6489 (05/02)

III/JOHNSON INS GRP
4490 SOCASTEE BLVD
MYRTLE BEACH, SC 29588

Named insured

FOUR J'S AND A. D. LLC
THE LEARNING STATION
690 SINGLETON RIDGE
CONWAY, SC 29526

Policy number: 03476945-2
Underwritten by:
United Financial Casualty Company
REFERENCE NUMBER: 39-0026031
April 15, 2008
Policy Period: Apr 13, 2008 - Apr 13, 2009

progressiveagent.com
Online Service
Make payments, check billing activity, print policy documents, or check the status of a claim.

843-248-5703
III/JOHNSON INS GRP
Contact your agent for personalized service.

800-444-4487
For customer service if your agent is unavailable or to report a claim.
PO Box 94739
Cleveland, OH 44101

Commercial Auto Insurance Coverage Summary
This is your Renewal Declarations Page

Your coverage began on April 13, 2008 at 12:01 a.m. This policy expires on April 13, 2009 at 12:01 a.m.

This coverage summary replaces your prior one. Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z228 (07/05), 2852SC (12/05), 4852SC (10/06), 4757SC (09/04) and 4881SC (10/04).

The named insured organization type is a corporation.

Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			$1,016
Bodily Injury and Property Damage Liability	$300,000 combined single limit		
Uninsured Motorist Bodily Injury	$100,000 combined single limit		104
Underinsured Motorist Bodily Injury	$100,000 combined single limit		132
Underinsured Motorist Property Damage	$100,000 combined single limit	$0	8
Uninsured Motorist Property Damage	$100,000 combined single limit	$200	28
Medical Payments	$1,000 each person		40
Comprehensive			65
See Schedule Of Covered Autos	Limit of liability less deductible		
Collision			82
See Schedule Of Covered Autos	Limit of liability less deductible		
Subtotal policy premium			**$1,475**
South Carolina Uninsured Motorist Fund charge			4
Total 12 month policy premium			**$1,479**
Discount if paid in full			-63
Total 12 month policy premium if paid in full			**$1,416**

Rated driver

1. DONNA JENSEN

Auto coverage schedule

1. **1995 Chevrolet G30**
VIN: 1GBHG31K9SF121727

Stated Amount: $5,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM BI	UIM BI	UIM PD	UM PD	Med Pay	
Liability Premium	$473	$52	$66	$4	$14	$16	
Physical Damage Premium	Comp/Glass Deductible	Comp/Glass Premium	Collision Deductible	Collision Premium			Auto Total
	$500/$0	$28	$500	$32			**$685**

2. **1995 GMC G3500**
VIN: 1GDHG31Y8SF522116

Stated Amount: $3,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM BI	UIM BI	UIM PD	UM PD	Med Pay	
Liability Premium	$543	$52	$66	$4	$14	$24	
Physical Damage Premium	Comp/Glass Deductible	Comp/Glass Premium	Collision Deductible	Collision Premium			Auto Total
	$500/$0	$37	$500	$50			**$790**

Premium discount

Policy	
03476945-2	Renewal

Important Cancellation Information

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

Form 4790 SC (12/02)

Form 6489 (05/02)

Progressive 0132

III/JOHNSON INS GRP
1501 MAIN ST
CONWAY, SC 29526

PROGRESSIVE

Named insured

FOUR J'S AND A. D. LLC
THE LEARNING STATION
690 SINGLETON RIDGE
CONWAY, SC 29526

Policy number: 03476945-3
Underwritten by:
United Financial Casualty Company
REFERENCE NUMBER: 39-0026031
April 15, 2009
Policy Period: Apr 13, 2009 - Apr 13, 2010

progressiveagent.com
Online Service
Make payments, check billing activity, print policy documents, or check the status of a claim.

843-248-5703
III/JOHNSON INS GRP
Contact your agent for personalized service.

800-444-4487
For customer service if your agent is unavailable or to report a claim.
PO Box 94739
Cleveland, OH 44101

Commercial Auto Insurance Coverage Summary

This is your Renewal Declarations Page

Your coverage began on April 13, 2009 at 12:01 a.m. This policy expires on April 13, 2010 at 12:01 a.m.

This coverage summary replaces your prior one. Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z228 (07/05), 2852SC (12/05), 4852SC (08/04), 4757SC (09/04) and 4881SC (10/04).

The named insured organization type is a corporation.

Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			
Bodily Injury and Property Damage Liability	$300,000 combined single limit		$1,145
Uninsured Motorist			
Bodily Injury Property Damage	$100,000 combined single limit each accident (included in combined single limit)	 $200	148
Underinsured Motorist			
Bodily Injury Property Damage	$100,000 combined single limit each accident (included in combined single limit)	 $0	168
Medical Payments	$1,000 each person		42
Comprehensive			
See Auto Coverage Schedule	Limit of liability less deductible		106
Collision			
See Auto Coverage Schedule	Limit of liability less deductible		158
Subtotal policy premium			**$1,767**
South Carolina Uninsured Motorist Fund charge			4
Total 12 month policy premium			**$1,771**
Discount if paid in full			-72
Total 12 month policy premium if paid in full			**$1,699**

Rated driver

1. DONNA JENSEN

Auto coverage schedule

1. **1995 Chevrolet G30**
VIN: 1GBHG31K9SF121727

Stated Amount: $5,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM	UIM	Med Pay	
Liability Premium	$564	$74	$84	$19	
	Comp/Glass Deductible	**Comp/Glass Premium**	**Collision Deductible**	**Collision Premium**	**Auto Total**
Physical Damage Premium	$500/$0	$54	$500	$74	**$869**

2. **1995 GMC G3500**
VIN: 1GDHG31Y8SF522116

Stated Amount: $3,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM	UIM	Med Pay	
Liability Premium	$581	$74	$84	$23	
	Comp/Glass Deductible	**Comp/Glass Premium**	**Collision Deductible**	**Collision Premium**	**Auto Total**
Physical Damage Premium	$500/$0	$52	$500	$84	**$898**

Premium discount

Policy	
03476945-3	Renewal

Important Cancellation Information

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

Form 4790 SC (12/02)

Form 6489 (05/02)

Progressive 0146

III/JOHNSON INS GRP
1501 MAIN ST
CONWAY, SC 29526

PROGRESSIVE®

Named insured

FOUR J'S AND A. D. LLC
THE LEARNING STATION
690 SINGLETON RIDGE
CONWAY, SC 29526

Policy number: 03476945-4
Underwritten by:
United Financial Casualty Company
REFERENCE NUMBER: 39-0026031
April 15, 2010
Policy Period: Apr 13, 2010 - Apr 13, 2011

progressiveagent.com
Online Service
Make payments, check billing activity, print policy documents, or check the status of a claim.

843-248-5703
III/JOHNSON INS GRP
Contact your agent for personalized service.

800-444-4487
For customer service if your agent is unavailable or to report a claim.
PO Box 94739
Cleveland, OH 44101

Commercial Auto Insurance Coverage Summary

This is your Renewal Declarations Page

Your coverage began on April 13, 2010 at 12:01 a.m. This policy expires on April 13, 2011 at 12:01 a.m.

This coverage summary replaces your prior one. Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z228 (07/05), 2852SC (12/05), 4852SC (10/06), 4757SC (09/04) and 4881SC (10/04).

The named insured organization type is a corporation.

Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			
Bodily Injury and Property Damage Liability	$300,000 combined single limit		$1,144
Uninsured Motorist			
Bodily Injury Property Damage	$100,000 combined single limit each accident (included in combined single limit)	$200	156
Underinsured Motorist			
Bodily Injury Property Damage	$100,000 combined single limit each accident (included in combined single limit)	$0	174
Medical Payments	$1,000 each person		41
Comprehensive			
See Auto Coverage Schedule	Limit of liability less deductible		106
Collision			
See Auto Coverage Schedule	Limit of liability less deductible		106
Subtotal policy premium			**$1,727**
South Carolina Uninsured Motorist Fund charge			4
Total 12 month policy premium			**$1,731**
Discount if paid in full			-139
Total 12 month policy premium if paid in full			**$1,592**

Rated driver

1. DONNA JENSEN

Auto coverage schedule

1. **1995 Chevrolet G30**
VIN: 1GBHG31K9SF121727

Stated Amount: $5,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM	UIM	Med Pay	
Liability Premium	$549	$78	$87	$19	
	Comp/Glass Deductible	**Comp/Glass Premium**	**Collision Deductible**	**Collision Premium**	
Physical Damage Premium	$500/$0	$53	$500	$54	Auto Total **$840**

2. **1995 GMC G3500**
VIN: 1GDHG31Y8SF522116

Stated Amount: $3,000
Garaging Zip Code: 29526
Radius: 50

	Liability	UM	UIM	Med Pay	
Liability Premium	$595	$78	$87	$22	
	Comp/Glass Deductible	**Comp/Glass Premium**	**Collision Deductible**	**Collision Premium**	
Physical Damage Premium	$500/$0	$53	$500	$52	Auto Total **$887**

Premium discounts

Policy	
03476945-4	Business Experience, Package and Renewal

Important Cancellation Information

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

Form 4790 SC (12/02)

Form 6489 (05/02)

UNINSURED/UNDERINSURED MOTORIST COVERAGE ENDORSEMENT

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with **you** that the insurance provided under **your** Commercial Auto Policy is modified as follows:

INSURING AGREEMENT - UNINSURED MOTORIST COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Uninsured Motorist Coverage, **we** will pay for damages which an **insured** is legally entitled to recover from the **owner** or operator of an **uninsured auto** because of **bodily injury** or **property damage**:

1. sustained by an **insured**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance, or use of an **uninsured auto**.

INSURING AGREEMENT - UNDERINSURED MOTORIST COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Underinsured Motorist Coverage, **we** will pay for damages that an **insured** is legally entitled to recover from the **owner** or operator of an **underinsured auto** because of **bodily injury** sustained by an **insured** or due to **property damage**:

1. caused by an **accident**; and
2. arising out of the ownership, maintenance, or use of an **underinsured auto**.

We will pay under this endorsement only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlements.

ADDITIONAL DEFINITIONS

When used in this endorsement, whether in the singular, plural, or possessive:

1. "**Insured**" means:
   a. if the named insured shown on the **Declarations Page** is a natural person:
      (i) **you** or a **relative**;
      (ii) any person occupying **your insured auto** or a **temporary substitute auto**; and
      (iii) any person who is entitled to recover damages covered by this endorsement because of **bodily injury** sustained by a person described in (i) or (ii) above; or
   b. if the named insured shown on the **Declarations Page** is a corporation, partnership, organization or any other entity that is not a natural person:
      (i) any person occupying **your insured auto** or **temporary substitute auto**; and
      (ii) any person who is entitled to recover damages covered by this endorsement because of **bodily injury** sustained by a person described in (i) above.

2. "**Non-owned auto**" means any **auto** that is not **owned** by **you** or furnished for **your** regular use and, if the named insured is a person, not owned or furnished for the regular use of the named insured's spouse or **relative.**
3. "**Owned**" means the person:
   a. holds legal title to the vehicle;
   b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
   c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
4. "**Owner**" means the person who, with respect to a vehicle:
   a. holds legal title to the vehicle;
   b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
   c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
5. "**Underinsured auto**" means a land motor vehicle or trailer of any type to which **bodily injury** liability insurance or a bond applies at the time of the **accident** with limits of liability that equal or exceed the minimum amount required by the South Carolina motor vehicle financial responsibility law, but which are less than the amount of the damages sustained by the **insured** in the **accident.**

   An "**underinsured auto**" does not include any vehicle or equipment:
   a. **owned** by any governmental unit or agency, except when:
      (i) operated by a person without proper authorization; or
      (ii) a cause of action against that governmental unit or agency arising out of a motor vehicle **accident** is barred by the Tort Claims Act of South Carolina, as amended, or by any other applicable law;
   b. operated on rails or crawler treads;
   c. designed mainly for use off public roads, while not on public roads;
   d while used as a residence or premises;
   e. not required to be registered as a motor vehicle; or
   f. which is an **uninsured auto.**
6. "**Uninsured auto**" means an **auto** or trailer of any type:
   a. to which no bodily injury liability bond, cash deposit, security, or policy in at least the amounts of coverage required by South Carolina law applies at the time of the **accident**;
   b. to which a bodily injury liability bond or policy applies at the time of the **accident**, but the bonding or insuring company:
      (i) denies coverage;
      (ii) is or becomes insolvent; or
      (iii) is in delinquency proceedings, suspension, or receivership; or
      (iv) is financially unable to fully satisfy a judgment rendered in favor of an **insured person**;
   c. to which a bodily injury liability bond or policy applies at the time of the **accident**, but its limit of liability is less than the minimum limit of liability specified by the

financial responsibility law of the state in which the **insured auto** is principally garaged;

d. whose operator or **owner** cannot be identified and which causes an **accident** resulting in **bodily injury** to an **insured**, or **property damage**, provided:
   (i) the **insured**, or someone on his or her behalf, reports the **accident** to the police or civil authority within twenty-four (24) hours or as soon as practicable after the **accident**; and
   (ii) if there has been no physical contact between the vehicle operated by the unidentified operator and the **insured**, or a vehicle occupied by the **insured**, there must be independent corroborative evidence by a witness to the **accident** who executes a signed affidavit attesting to the truth of the **accident** to prove that the **bodily injury** or **property damage** was proximately caused by the negligence or intentional actions of the unidentified operator of the motor vehicle. The testimony of the **owner** or operator of the **insured auto** shall not constitute independent corroborative evidence. No recovery will be provided under this endorsement if the **insured** was negligent in failing to determine the identity of the other motor vehicle and its driver at the time of the **accident**.

An "**uninsured auto**" does not include any motorized auto or equipment:

a. **owned** or operated by a self-insurer under any applicable vehicle law, except a self-insurer that:
   (i) is or becomes insolvent; or
   (ii) fails to qualify as a self-insurer under South Carolina law;
b. **owned** by any governmental unit or agency, except when:
   (i) operated by a person without proper authorization; or
   (ii) a cause of action against that governmental unit or agency arising out of a motor vehicle **accident** is barred by the Tort Claims Act of South Carolina, as amended, or by any other applicable law;
c. operated on rails or crawler treads;
d. designed mainly for use off public roads, while not on public roads;
e. while being used as a residence or premises;
f. not required to be registered as a motor vehicle; or
g. which is an **underinsured motor vehicle.**

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS ENDORSEMENT.

1. Coverage under this endorsement is not provided for **bodily injury** or **property damage** sustained by any person while using or **occupying**:
   a. an **insured auto** without the express or implied permission of **you** or, if the named insured is a natural person, a **relative**;
   b. a **non-owned auto** without the express or implied permission of the **owner**; or

c. any motor vehicle **owned** by **you** or, if the named insured is a natural person, a **relative**, unless uninsured motorist coverage or underinsured motorist coverage has been purchased for that motor vehicle.

2. Coverage under this endorsement will not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
   a. workers' compensation law; or
   b. disability benefits law.

If a court with proper jurisdiction determines an exclusion is invalid or unenforceable because it does not satisfy the minimum requirements of the South Carolina Motor Vehicle Financial Responsibility Act, such exclusion shall apply only to that portion of the damages that is in excess of the minimum limits of liability required by that law.

LIMITS OF LIABILITY

Regardless of the number of vehicles or **insureds** involved in the **accident**, or the number of claims or lawsuits arising out of an **accident**, **we** will pay no more than the Limit of Liability shown for Uninsured/Underinsured Motorist Coverage on the **Declarations Page**.

Additionally, the limit of liability shown on the **Declarations Page** for coverage under this endorsement for an **insured auto** involved in an **accident** that causes **bodily injury** to an **insured**, other than **you** or a **relative**, if **you** are a person, is the most **we** will pay regardless of the number of:
1. **insured autos**; or
2. premiums paid.

If **you** are a person, when **you** or a **relative** sustain damages covered under this endorsement while **occupying** an **insured auto**, the most that may be recovered as benefits under each applicable uninsured motorist coverage or underinsured motorist coverage is the limit of liability applicable to that **insured auto**.
If **you** are a person, when **you** or a **relative** are **occupying** a motor vehicle other than an **insured auto** and sustain **bodily injury** covered under this endorsement, **our** coverage shall be excess to the coverage applicable to the motor vehicle that **you** or the **relative** are **occupying**, and **our** total limit of liability under this policy shall not exceed **our** limit of liability for one **auto**. Coverage for more than one **auto** under this policy may not be stacked or combined together for **bodily injury** sustained by **you** or a **relative** while **occupying** a motor vehicle other than an **insured auto**.

If **you** are a person, when **you** or a **relative** are not **occupying** a motor vehicle and sustain **bodily injury** caused by the **owner** or operator of an **uninsured auto** or **underinsured auto**, **our** limit of liability shall not exceed the limit of liability shown on the **Declarations Page** for any one **insured auto**.

If the **Declarations Page** shows that "combined single limit" or "CSL" applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one **accident**. However, without changing this total "each accident" limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

If **your Declarations Page** shows a split limit:

1. the amount shown for "each person" is the most **we** will pay for all damages due to a **bodily injury** to one person;
2. subject to the "each person" limit, the amount shown for "each accident" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**; and
3. the amount shown for "property damage" is the most **we** will pay for the aggregate of all **property damage** caused by any one **accident**.

The "each person" limit of liability includes the total of all claims made for **bodily injury** to an **insured** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

Our Limit of Liability under this endorsement for **property damage** to an **insured auto** arising out of one **accident** is the least of:

1. the actual cash value of the **insured auto** at the time of the **accident**, reduced by the deductible shown on the **Declarations Page** and by its salvage value if **you** retain the salvage;
2. the amount necessary to replace the **insured auto**, reduced by the deductible shown on the **Declarations Page**;
3. the amount necessary to repair the **insured auto** to its pre-loss condition, reduced by the deductible shown on the **Declarations Page**; or
4. any Limit of Liability shown on the **Declarations Page** for "property damage" under this endorsement, reduced by the deductible shown on the **Declarations Page** and by the salvage value of the **insured auto** if **you** retain the salvage.

Payments for **property damage** under this endorsement are subject to the following provisions:

1. any amount payable under this endorsement for **property damage** shall be subject to the deductible shown on the **Declarations Page**;
2. no more than one deductible shall be applied to any one **accident**;
3. an adjustment for depreciation or physical condition, which may also be referred to as betterment, wear and tear, or prior damage, will be made in determining the limit of liability at the time of the **accident**; and
4. in determining the amount **we** will pay to repair damaged property to its pre-loss condition, the repair or replacement parts and equipment may be new, reconditioned, remanufactured, or used, including, but not limited to:
   (a) original manufacturer parts or equipment; and
   (b) nonoriginal manufacturer parts or equipment.

In determining the amount payable under this endorsement for **bodily injury**, the damages which the **insured** is entitled to recover from the **owner** or operator of an **uninsured auto** or **underinsured auto** shall be reduced by all sums:

1. paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible, including, but not limited to, all sums paid under Part I - Liability To Others; and
2. paid, or payable, or should apply, because of **bodily injury** under any of the following or similar laws:
   a. workers' compensation law; or
   b. disability benefits law.

The Limits of Liability under this endorsement for **property damage** shall be reduced by all sums paid:

1. because of **property damage** by or on behalf of any persons or organizations who may be legally responsible, including, but not limited to, all sums paid under Part I - Liability To Others; and
2. under Part II - Damage To Your Auto for **loss** to the **auto**.

No one will be entitled to duplicate payments for the same elements of damages.

Any judgment or settlement for damages against an operator or **owner** of an **uninsured auto** or **underinsured auto** which arises out of a lawsuit brought without **our** written consent is not binding on **us**.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all available coverage limits. However, any insurance **we** provide shall be excess over any other uninsured or underinsured motorist coverage, except for **bodily injury** to **you** and, if the named insured is a natural person, a **relative** when **occupying** an **insured auto** or **temporary substitute auto**.

We will not pay for any damages which would duplicate any payment made for damages under other insurance.

ARBITRATION FOR BODILY INJURY CLAIMS

If **we** and an **insured** cannot agree on:

1. the legal liability of the operator or **owner** of an **uninsured auto** or **underinsured auto**; or
2. the amount of the damages sustained by the **insured**;

this will be determined by arbitration if **we** or the **insured** make a written demand for arbitration prior to the expiration of the bodily injury statute of limitations in the state in which the **accident** occurred.

Issued by The Stock Insurance Company

Policy Number
S 1940117

SELECTIVE INSURANCE COMPANY OF THE SOUTHEAST
3426 TORINGDON WAY, CHARLOTTE, NC 28277

COMMERCIAL POLICY COMMON DECLARATION

Named Insured and Address	Policy Period
FOUR JS & A D, LLC 690 SINGLETON RIDGE RD CONWAY, SC 29526-9154	From: APRIL 17, 2010 To: APRIL 17, 2011 12:01 A.M. Standard Time At Location of Designated Premises.
Named Insured Is: LTD LIABILITY	**Producer Number:** 00-08095-00000

Producer:

PEOPLES UNDERWRITERS INC
SOUTH CAROLINA

Social Services

Schedule of Coverage

COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
COMMERCIAL AUTOMOBILE COVERAGE
ABUSE & MOLESTATION
SOCIAL SERVICES

PREMIUM INCLUDES TERRORISM COVERAGE $97.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD
D/B - 10

Total Policy Premium $6,807.00
(This premium may be subject to adjustment.)

Date Issued: APRIL 28, 2010
Issuing Office: SOUTHERN REGION

Authorized Representative _____

IL-7025 (11/89)

INSURED'S COPY

Peoples_000402

Previous Policy Number	Policy Number
NEW	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2010	Coverage Effective Date: APRIL 17, 2010
Business of Named Insured: DAY CARE	

Item Two - SCHEDULE OF COVERAGES AND COVERED AUTOS. This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

Coverage Schedule

Coverages	Covered Autos Symbols	Limit The Most We Will Pay for Any One Accident or Loss	Premium
Liability	1	$1,000,000 CSL	$1,543.00
Personal Injury Protection (or First Party Benefits)		Separately stated in each P.I.P Endorsement	
Added Personal Injury Protection (or Added First Party Benefits)		Separately stated in each P.I.P Added Endorsement	
Auto Medical Payments	2	$5,000	$86.00
Uninsured Motorists	2	$1,000,000 CSL	$68.00
Underinsured Motorists	2	$1,000,000 CSL	$138.00
Physical Damage Comprehensive Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus any applicable deductible shown on the Auto Schedule for Each Covered Auto for all Loss except Fire or Lightning.	$50.00
Physical Damage Specified Causes of Loss Coverage		Actual Cash Value or Cost of Repair, whichever is less minus $25 deductible for Each Covered Auto for Loss caused by Mischief or Vandalism.	
Physical Damage Collision Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus the applicable deductible shown on the Auto Schedule for Each Covered Auto.	$58.00
Physical Damage Towing and Labor Coverage		for Each Disablement of a Private Passenger Auto.	
Hired Auto and Non-Owned Auto Coverage			INCL.

Auto Schedule

No.	Trade Name	Year	Body Type Truck Size	Vehicle Id. No. (VIN)	Size Class	Use/Class/Radius Code	List Symbol	Purchased by Insured: Yes	Purchased by Insured: N/U	Cost
SC 1	CHEV	95	12 PASSENG	1GBHG31K9SF121727		615200/L				$15,000
SC 2	CHEV	95	12 PASSENG	1GDHG31Y8SF522116		615200/L				$15,000

No.	Terr.	Liability Insurance Premium	P.I.P. or F.P.B.	Add. P.I.P. or F.P.B	Med. Payms. Prem.	Unc. & Uim. Motorists Premium	Physical Damage Insurance: Comprehensive: Ded.	Comprehensive: Prem.	Specified Causes of Loss	Collision: Ded.	Collision: Prem.	Towing Prem.
SC 1	177	676			43	103	1,000	25		1,000	29	
SC 2	177	676			43	103	1,000	25		1,000	29	
Totals $		1,352			86	206		50			58	

Item Three - Schedule of Covered Autos You Own (see Auto Schedule) - Loss Payees Subject to Loss Payable Clause:

Vehicle No.	Name and Address of Loss Payee

Forms and Endorsements:

Refer to "Commercial Policy Forms and Endorsement Schedule"

Total Premium

CA-7057 (02/92) INSURED'S COPY Peoples_000559

Previous Policy Number	Policy Number
NEW	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION (Continued)

Policy Effective Date: APRIL 17, 2010	Coverage Effective Date: APRIL 17, 2010

Item Four - Schedules of Hired or Borrowed Covered Auto Coverage and Premiums. Liability Insurance - Rating Basis, Cost of Hire

State	Estimated Cost of Hire for Each State	Rate per Each $100 Cost of Hire	Minimum Premium	Premium
SOUTH CAROLINA	IF ANY	1.565	$68.00	$68.00
			Total Premium	$68.00

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners employees or their family members). Cost of hire does not include charges for service performed by motor carriers of property or passengers.

Physical Damage Coverage

Coverages	Limit of Insurance	Estimated Annual Cost of Hire	Rate per Each $100 Annual Cost of Hire	Premium
Comprehensive	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto For all Loss Except Fire or Lightning			
Specified Causes of Loss	Actual Cash Value, Cost of Repairs or Whichever is Less Minus $ 25 Ded. for Each Covered Auto, for Loss Caused by Mischief or Vandalism			
Collision	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto			
			Total Premium	

PHYSICAL DAMAGE INSURANCE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered "auto" you hire or borrow is deemed to be a covered "auto" you own.

Item Five - Schedule for Non-Ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees	0 - 25	$123.00
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
		Total Premium	$123.00

Item Six - Schedule for Gross Receipts or Mileage Basis - Liability Insurance - Public Auto or Leasing Rental Concerns -

Estimated Yearly	Rates		Premiums	
	Liability Insurance	Auto Medical Payments	Liability Insurance	Auto Medical Payments
		Total Premiums		

CA-7058 (02/92)

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Peoples_000560

SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

POLICY NUMBER:

COMMERCIAL AUTO
CA 21 88 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

SCHEDULE

Limit Of Insurance: **Each "Accident"**

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

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".
   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

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c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation, or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. The Named Insured for "property damage" only.

C. **Exclusions**

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar laws.

2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

4. "Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. **Limit Of Insurance**

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Underinsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:

a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and

b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance — Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

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c. For "property damage", this insurance is excess to all collectible insurance of any kind.

d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** does not apply to Underinsured Motorists Coverage.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" as used in this endorsement means injury to or destruction of the Named Insured's covered "auto". However, "property damage" does not include damage to property owned by the "insured" while contained in the Named Insured's covered "auto".

4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" of any type to which a liability bond or policy applies at the time of the "accident" in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy provide a limit that is less than the amount the "insured" is legally entitled to recover as damages caused by the "accident".

However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

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Issued by The Stock Insurance Company

Policy Number
S 1940117

SELECTIVE INSURANCE COMPANY OF THE SOUTHEAST
3426 TORINGDON WAY, CHARLOTTE, NC 28277

COMMERCIAL POLICY COMMON DECLARATION

Named Insured and Address	Policy Period
FOUR JS & A D, LLC DBA THE LEARNING STATION 690 SINGLETON RIDGE RD CONWAY, SC 29526-9154	From: APRIL 17, 2011 To: APRIL 17, 2012 12:01 A.M. Standard Time At Location of Designated Premises.
Named Insured Is: LTD LIABILITY	Producer Number: 00-08095-00000

Producer:

PEOPLES UNDERWRITERS INC
SOUTH CAROLINA

Social Services

Schedule of Coverage

COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
COMMERCIAL AUTOMOBILE COVERAGE
ABUSE & MOLESTATION
SOCIAL SERVICES

PREMIUM INCLUDES TERRORISM COVERAGE $100.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD
D/B - 10

Total Policy Premium $6,062.00
(This premium may be subject to adjustment.)

Date Issued: APRIL 4, 2011
Issuing Office: SOUTHERN REGION

Authorized Representative _____

IL-7025 (11/89)

INSURED'S COPY

Peoples_000682

Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Business of Named Insured: DAY CARE

Item Two - SCHEDULE OF COVERAGES AND COVERED AUTOS. This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

Coverage Schedule

Coverages	Covered Autos Symbols	Limit The Most We Will Pay for Any One Accident or Loss	Premium
Liability	1	$1,000,000 CSL	$1,576.00
Personal Injury Protection (or First Party Benefits)		Separately stated in each P.I.P Endorsement	
Added Personal Injury Protection (or Added First Party Benefits)		Separately stated in each P.I.P Added Endorsement	
Auto Medical Payments	2	$5,000	$86.00
Uninsured Motorists	2	$1,000,000 CSL	$66.00
Underinsured Motorists	2	$1,000,000 CSL	$136.00
Physical Damage Comprehensive Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus any applicable deductible shown on the Auto Schedule for Each Covered Auto for all Loss except Fire or Lightning.	$62.00
Physical Damage Specified Causes of Loss Coverage		Actual Cash Value or Cost of Repair, whichever is less minus $25 deductible for Each Covered Auto for Loss caused by Mischief or Vandalism.	
Physical Damage Collision Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus the applicable deductible shown on the Auto Schedule for Each Covered Auto.	$66.00
Physical Damage Towing and Labor Coverage		for Each Disablement of a Private Passenger Auto.	
Hired Auto and Non-Owned Auto Coverage			INCL.

Auto Schedule

No.	Trade Name	Year	Body Type Truck Size	Vehicle Id. No. (VIN)	Size Class	Use/Class/Radius Code	List Symbol	Purchased / Insured Year	N/D	Cost
SC 1	CHEV	95	12 PASSENG	1GBHG31K9SF121727		615200/L				$15,000
SC 2	CHEV	95	12 PASSENG	1GDHG31Y8SF522116		615200/L				$15,000

No.	Terr.	Liability Insurance Premium	P.I.P. or F.P.B.	Add. P.I.P. or F.P.B	Med. Paymts. Prem.	Um & Uim Motorists Premium	Physical Damage Insurance: Comprehensive Ded.	Comprehensive Prem.	Specified Causes of Loss	Collision Ded.	Collision Prem.	Towing Prem.
SC 1	177	686			43	101	1,000	31		1,000	33	
SC 2	177	686			43	101	1,000	31		1,000	33	
Totals $		1,372			86	202		62			66	

Item Three - Schedule of Covered Autos You Own (see Auto Schedule) - Loss Payees Subject to Loss Payable Clause:

Vehicle No. Name and Address of Loss Payee

Forms and Endorsements:

Refer to "Commercial Policy Forms and Endorsement Schedule"

Total Premium $2,032.00 (This premium may be subject to adjustment.)

CA-7057 (02/92) INSURED'S COPY

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Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION (Continued)

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Item Four - Schedules of Hired or Borrowed Covered Auto Coverage and Premiums. Liability Insurance - Rating Basis, Cost of Hire

State	Estimated Cost of Hire for Each State	Rate per Each $100 Cost of Hire	Minimum Premium	Premium
SOUTH CAROLINA	IF ANY	1.196	$80.00	$80.00
			Total Premium	$80.00

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners employees or their family members). Cost of hire does not include charges for service performed by motor carriers of property or passengers.

Physical Damage Coverage

Coverages	Limit of Insurance	Estimated Annual Cost of Hire	Rate per Each $100 Annual Cost of Hire	Premium
Comprehensive	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto For all Loss Except Fire or Lightning			
Specified Causes of Loss	Actual Cash Value, Cost of Repairs or Whichever is Less Minus $ 25 Ded. for Each Covered Auto, for Loss Caused by Mischief or Vandalism			
Collision	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto			
			Total Premium	

PHYSICAL DAMAGE INSURANCE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered "auto" you hire or borrow is deemed to be a covered "auto" you own.

Item Five - Schedule for Non-Ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees	0 - 25	$124.00
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
		Total Premium	$124.00

Item Six - Schedule for Gross Receipts or Mileage Basis - Liability Insurance - Public Auto or Leasing Rental Concerns -

Estimated Yearly	Rates		Premiums	
	Liability Insurance	Auto Medical Payments	Liability Insurance	Auto Medical Payments
		Total Premiums		

CA-7058 (02/92)

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SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

POLICY NUMBER:

COMMERCIAL AUTO
CA 21 88 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

SCHEDULE

Limit Of Insurance: **Each "Accident"**

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

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".
   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

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c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

4. "Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Underinsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:

a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and

b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance — Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

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c. For "property damage", this insurance is excess to all collectible insurance of any kind.

d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** does not apply to Underinsured Motorists Coverage.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" as used in this endorsement means injury to or destruction of the Named Insured's covered "auto". However, "property damage" does not include damage to property owned by the "insured" while contained in the Named Insured's covered "auto".

4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" of any type to which a liability bond or policy applies at the time of the "accident" in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy provide a limit that is less than the amount the "insured" is legally entitled to recover as damages caused by the "accident".

However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

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Issued by The Stock Insurance Company

Policy Number
S 1940117

SELECTIVE INSURANCE COMPANY OF THE SOUTHEAST
3426 TORINGDON WAY, CHARLOTTE, NC 28277

COMMERCIAL POLICY COMMON DECLARATION

Named Insured and Address	Policy Period
FOUR JS & A D, LLC DBA THE LEARNING STATION 690 SINGLETON RIDGE RD CONWAY, SC 29526-9154	From: APRIL 17, 2012 To: APRIL 17, 2013 12:01 A.M. Standard Time At Location of Designated Premises.
Named Insured is: LTD LIABILITY	**Producer Number:** 00-08095-00000

Producer:

PEOPLES UNDERWRITERS INC
SOUTH CAROLINA

Social Services

Schedule of Coverage

COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
COMMERCIAL AUTOMOBILE COVERAGE
ABUSE & MOLESTATION
SOCIAL SERVICES

PREMIUM INCLUDES TERRORISM COVERAGE $108.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD
D/B - 10

Total Policy Premium $6,448.00
(This premium may be subject to adjustment.)

Date Issued: FEBRUARY 15, 2012
Issuing Office: SOUTHERN REGION

Authorized Representative _____

IL-7025 (11/89)

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Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2012	Coverage Effective Date: APRIL 17, 2012
Business of Named Insured: DAY CARE	

Item Two - SCHEDULE OF COVERAGES AND COVERED AUTOS. This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

Coverage Schedule

Coverages	Covered Autos Symbols	Limit The Most We Will Pay for Any One Accident or Loss	Premium
Liability	1	$1,000,000 CSL	$1,795.00
Personal Injury Protection (or First Party Benefits)		Separately stated in each P.I.P Endorsement	
Added Personal Injury Protection (or Added First Party Benefits)		Separately stated in each P.I.P Added Endorsement	
Auto Medical Payments	2	$5,000	$86.00
Uninsured Motorists	2	$1,000,000 CSL	$36.00
Underinsured Motorists	2	$1,000,000 CSL	$164.00
Physical Damage Comprehensive Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus any applicable deductible shown on the Auto Schedule for Each Covered Auto for all Loss except Fire or Lightning	$62.00
Physical Damage Specified Causes of Loss Coverage		Actual Cash Value or Cost of Repair, whichever is less minus $25 deductible for Each Covered Auto for Loss caused by Mischief or Vandalism.	
Physical Damage Collision Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus the applicable deductible shown on the Auto Schedule for Each Covered Auto.	$54.00
Physical Damage Towing and Labor Coverage		for Each Disablement of a Private Passenger Auto.	
Hired Auto and Non-Owned Auto Coverage			INCL.

Auto Schedule

No.	Trade Name	Year	Body Type Truck Size	Vehicle Id. No. (VIN)	Size Class	Use/Class/Radius Code	List Symbol	Purchased by Insured Year	Purchased by Insured N/U	Cost
SC 1	CHEV	95	12 PASSENG	1GBHG31K9SF121727		615200/L				$15,000
SC 2	CHEV	95	12 PASSENG	1GDHG31Y8SF522116		615200/L				$15,000

No.	Terr.	Liability Insurance Premium	P.I.P. or F.P.B.	Add. P.I.P. or F.P.B	Med. Paymts. Prem.	Un-A-Uln Motorists Premium	Physical Damage Insurance: Comprehensive Ded.	Comprehensive Prem.	Specified Causes of Loss	Collision Ded.	Collision Prem.	Total Prem.
SC 1	177	778			43	100	1,000	31		1,000	27	
SC 2	177	778			43	100	1,000	31		1,000	27	
Totals $		1,556			86	200		62			54	

Item Three - Schedule of Covered Autos You Own (see Auto Schedule) - Loss Payees Subject to Loss Payable Clause:

Vehicle No.	Name and Address of Loss Payee

Forms and Endorsements:

Refer to "Commercial Policy Forms and Endorsement Schedule"

Total Premium: $2,291.00

This endorsement may be subject to adjustment.

CA-7057 (02/92)

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Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION (Continued)

Policy Effective Date: APRIL 17, 2012	Coverage Effective Date: APRIL 17, 2012

Item Four - Schedules of Hired or Borrowed Covered Auto Coverage and Premiums. Liability Insurance - Rating Basis, Cost of Hire

State	Estimated Cost of Hire for Each State	Rate per Each $100 Cost of Hire	Minimum Premium	Premium
SOUTH CAROLINA	IF ANY	1.282	$93.00	$93.00
			Total Premium	$93.00

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners employees or their family members). Cost of hire does not include charges for service performed by motor carriers of property or passengers.

Physical Damage Coverage

Coverages	Limit of Insurance	Estimated Annual Cost of Hire	Rate per Each $100 Annual Cost of Hire	Premium
Comprehensive	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto For all Loss Except Fire or Lightning			
Specified Causes of Loss	Actual Cash Value, Cost of Repairs or Whichever is Less Minus $ 25 Ded. for Each Covered Auto, for Loss Caused by Mischief or Vandalism			
Collision	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto			
			Total Premium	

PHYSICAL DAMAGE INSURANCE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered "auto" you hire or borrow is deemed to be a covered "auto" you own.

Item Five - Schedule for Non-Ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees	0 - 25	$146.00
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
		Total Premium	$146.00

Item Six - Schedule for Gross Receipts or Mileage Basis - Liability Insurance - Public Auto or Leasing Rental Concerns -

Estimated Yearly	Rates		Premiums	
	Liability Insurance	Auto Medical Payments	Liability Insurance	Auto Medical Payments
		Total Premiums		

CA-7058 (02/92)

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SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

POLICY NUMBER:

COMMERCIAL AUTO
CA 21 88 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

0000SS 1940117207

SCHEDULE

Limit Of Insurance: **Each "Accident"**

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

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".
   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

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c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

4. "Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of UnderInsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:

a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and

b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. **Changes In Conditions**

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance — Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

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c. For "property damage", this insurance is excess to all collectible insurance of any kind.

d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** does not apply to Underinsured Motorists Coverage.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" as used in this endorsement means injury to or destruction of the Named Insured's covered "auto". However, "property damage" does not include damage to property owned by the "insured" while contained in the Named Insured's covered "auto".

4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" of any type to which a liability bond or policy applies at the time of the "accident" in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy provide a limit that is less than the amount the "insured" is legally entitled to recover as damages caused by the "accident".

However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

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THOMCO
P.O. Box 440549
Kennesaw, GA 30160
Fax: (678) 290-2200 Ph: (678) 290-2100
www.thomcoins.com

COMMERCIAL PACKAGE INSURANCE BINDER

Master Quote# 2921530-001 Submission #1031928 Expiring Policy # NEW

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED.
IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

Quote Date: 4/16/13 Policy Number: CCP20011712-00

Effective Date: 4/17/13 Expiration Date: 4/17/14

12:01 STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED.

Insured: 2921530 Producer ID: SC19907 Commission: 10.0%

Name: The Learning Station CDC, LLC Producer: Peoples Underwriters Inc.

DBA: The Learning Station

Address: 690 Singleton Ridge Road
Conway, SC 29526

400 Main St
Conway, SC 29526

Insurer: Markel Insurance Company A.M. Best Rating: A, XIV

Program: Child Care Complete

Policy Information

Property Limits (Total Values For All Locations, Not Blanket)		Liability Limits	
Building Values	$1,157,500	General Liability Each Occ/Agg	$1,000,000/$3,000,000
Contents	$250,000	Products Completed Operations Agg	$3,000,000
Tenant Improvements	N/A	Personal & Advertising Injury	$1,000,000
Property Deductible	$1000	Damage To Premises Rented To You	See GL Enhancements
Wind Hail Deductible	See Schedule	Medical Payments (Excluding Children)	$10,000
Coinsurance	80%	Abuse Liability Each Occ/Agg	$1,000,000/$1,000,000
Equipment Breakdown	Total of Bldg & BPP per Location	Childcare & Teachers Professional Liability	Included in GL
Business Income	ALS	Medical Payments for Children	$5,000
BI Coinsurance	N/A		
Causes of Loss	Special Form Including Theft		
Valuation	Replacement Cost		

Premium Details**

General Liability	$3,307.00
Property	$5,444.00
Taxes	$.00
Premium Total	$8,751.00

**Certain Standard Fire Policy may require a terrorism charge, regardless of rejection of coverage, to help cover the cost of fires resulting from certified acts of terrorism. The Insured will be charged in those applicable states.

IMPORTANT: SEE ATTACHED DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE.

Markel Insurance Company

BUSINESS AUTO DECLARATIONS

POLICY NUMBER: CCA20011712-00

COMMERCIAL AUTO
MDCA 1000 01 12

ITEM ONE

Company Name: Markel Insurance Company	**Producer Name:** SC19907 Peoples Underwriters Inc 400 Main St Conway, SC 29526
Named Insured: The Learning Station CDC, LLC DBA: The Learning Station	
Mailing Address: 690 Singleton Ridge Road Conway, SC 29526	
Policy Period	
From: 04/17/2013	
To: 04/17/2014	At 12:01 AM Standard Time at your mailing address shown above
Previous Policy Number: NEW	

Form Of Business:

☐ Corporation ☒ Limited Liability Company ☐ Individual
☐ Partnership ☐ Other:

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

Premium shown is payable at inception: $1,823.00

Audit Period (If Applicable): ☐ Annually ☐ Semiannually ☐ Quarterly ☐ Monthly

Endorsements Attached To This Policy
IL 00 17 - Common Policy Conditions (IL 01 46 in Washington)
IL 00 21 - Broad Form Nuclear Exclusion (Not applicable in New York)
See Schedule of Forms and Endorsements.

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POLICY NUMBER: CCA20011712-00

COMMERCIAL AUTO
CA 21 88 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: The Learning Station CDC, LLC **Endorsement Effective Date:** 04/17/2013
Countersignature Of Authorized Representative
Name: **Title:** **Signature:** **Date:**

SCHEDULE

Limit Of Insurance: $1,000,000	**Each "Accident"**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".
   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
   c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
   a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
   b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
   c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.
4. "Bodily injury" or "property damage" arising directly or indirectly out of:
   a. War, including undeclared or civil war;
   b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
   c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Underinsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:
   a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and
   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".
2. Subject to the maximum limit of insurance for all damages:
   a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".
   b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

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A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. **Changes In Conditions**

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

   c. For "property damage", this Insurance is excess to all collectible insurance of any kind.

   d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

   Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** does not apply to Underinsured Motorists Coverage.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

   CONFORMITY TO STATUTE

   This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

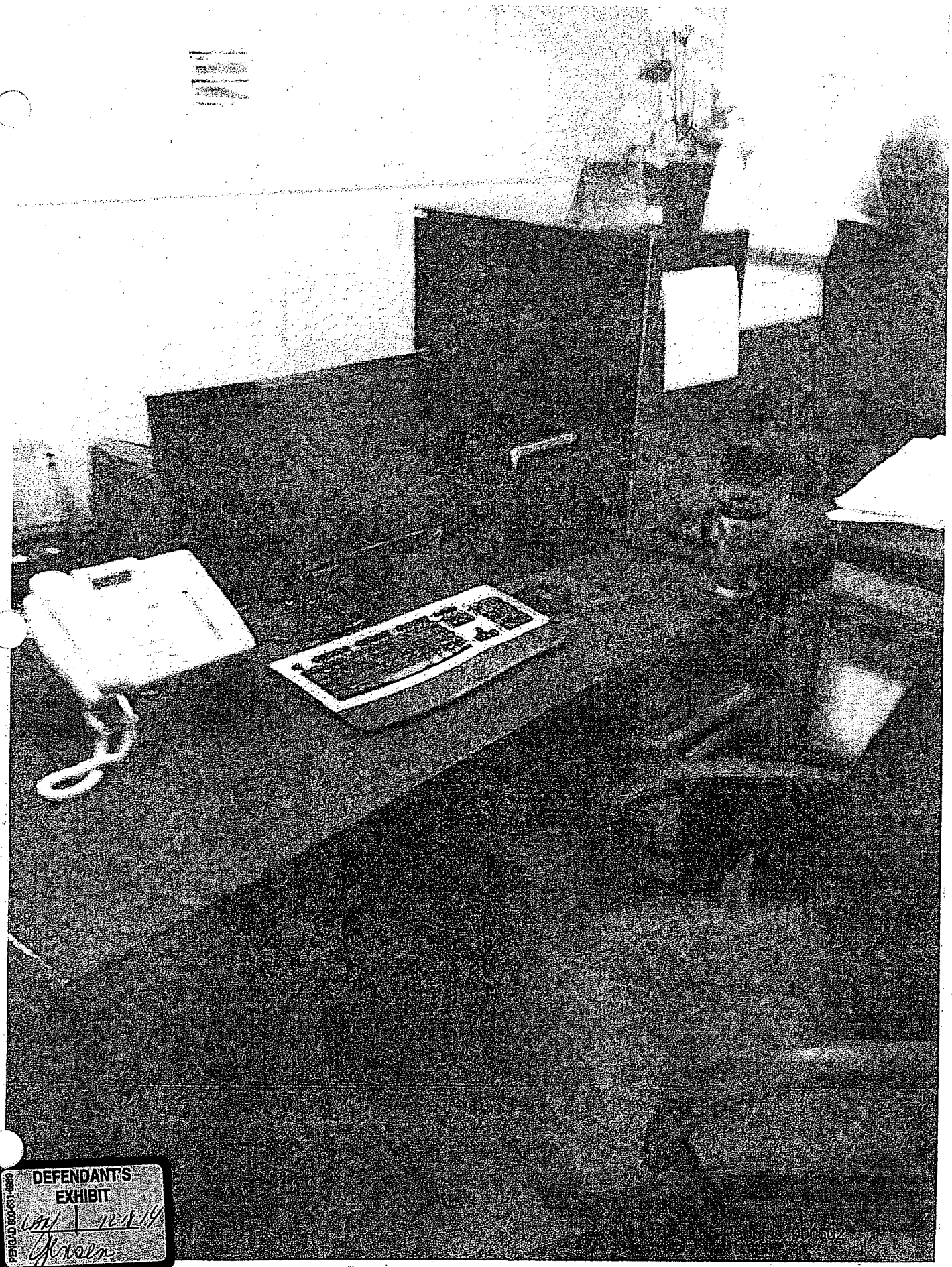
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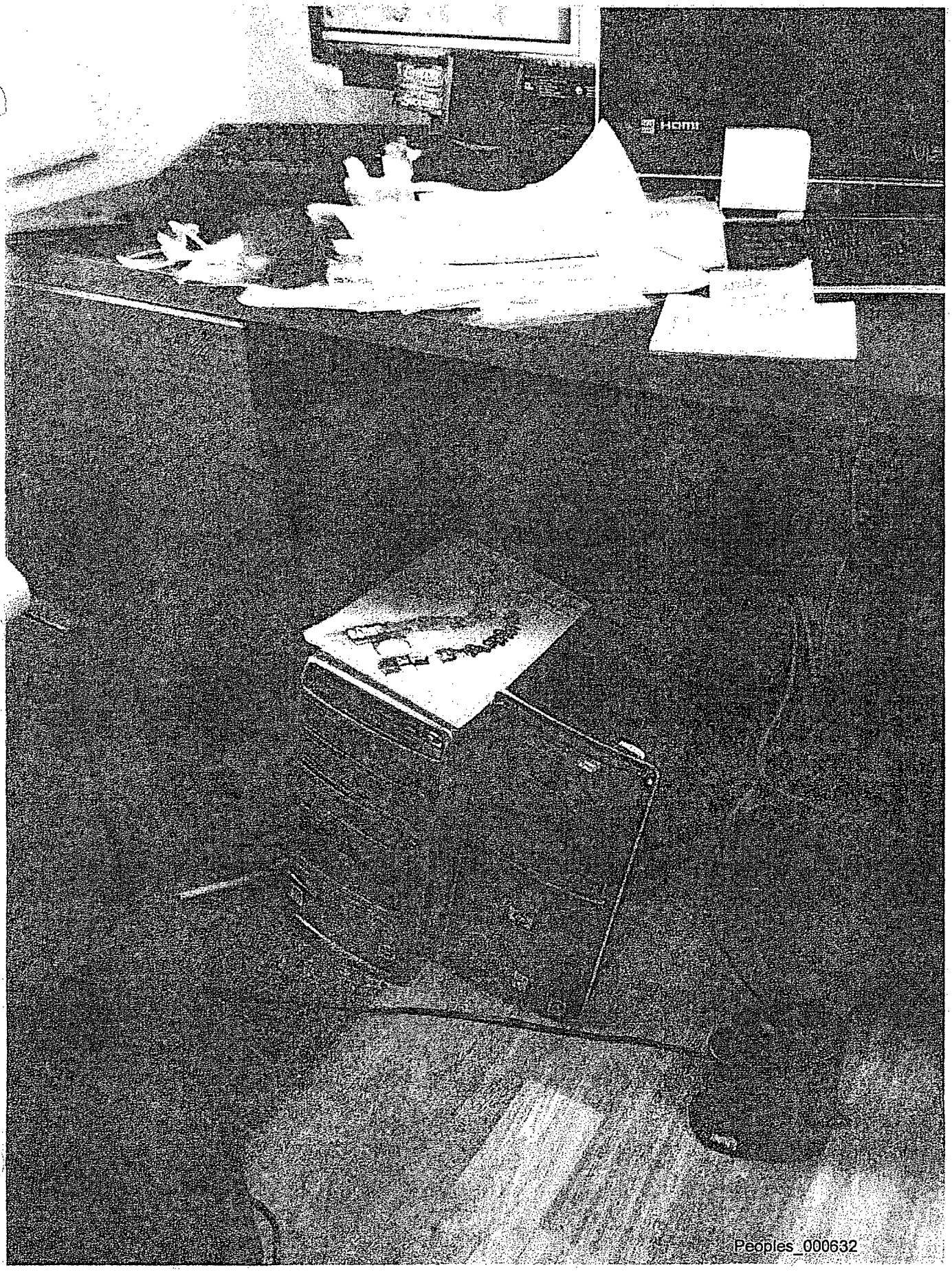
   However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

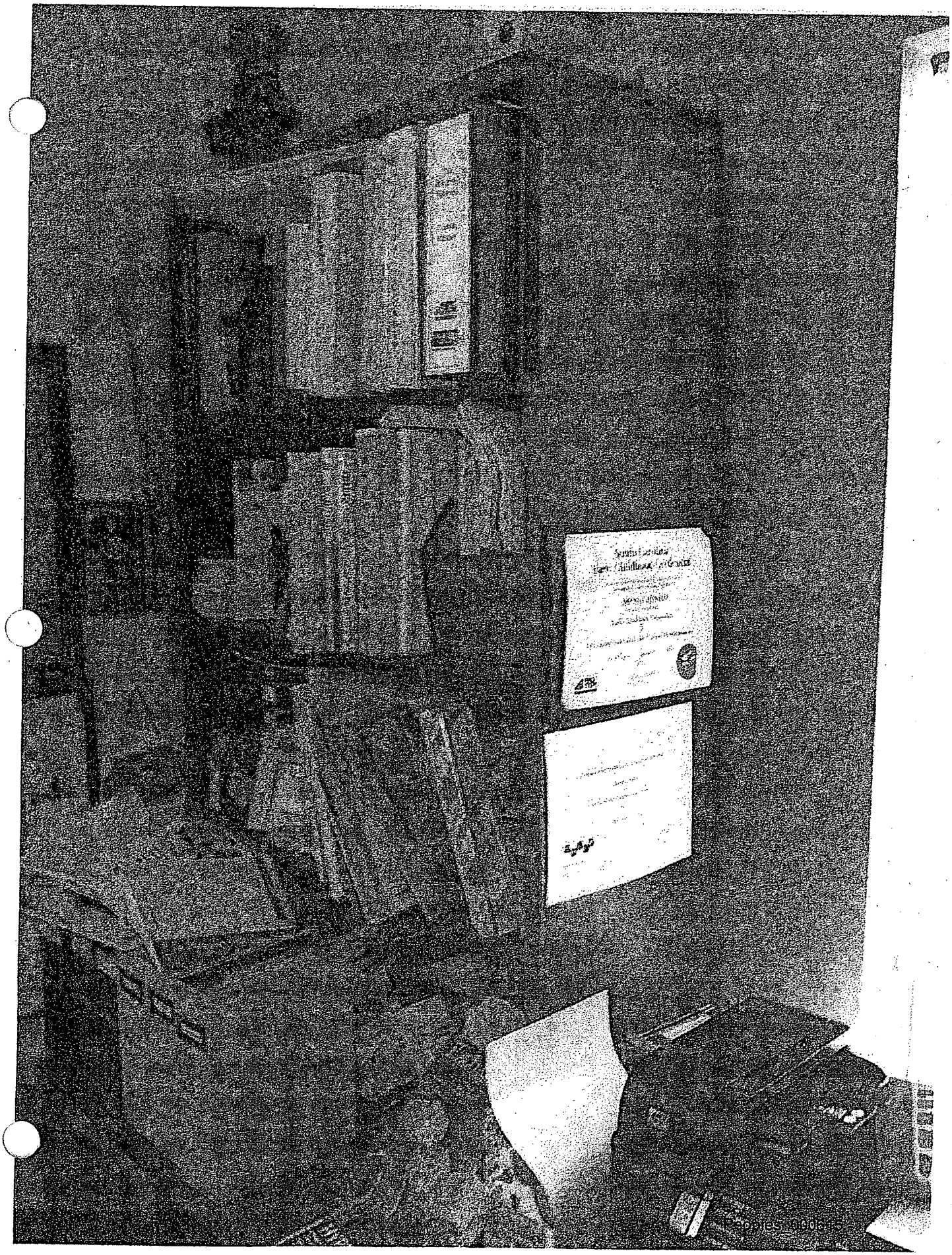
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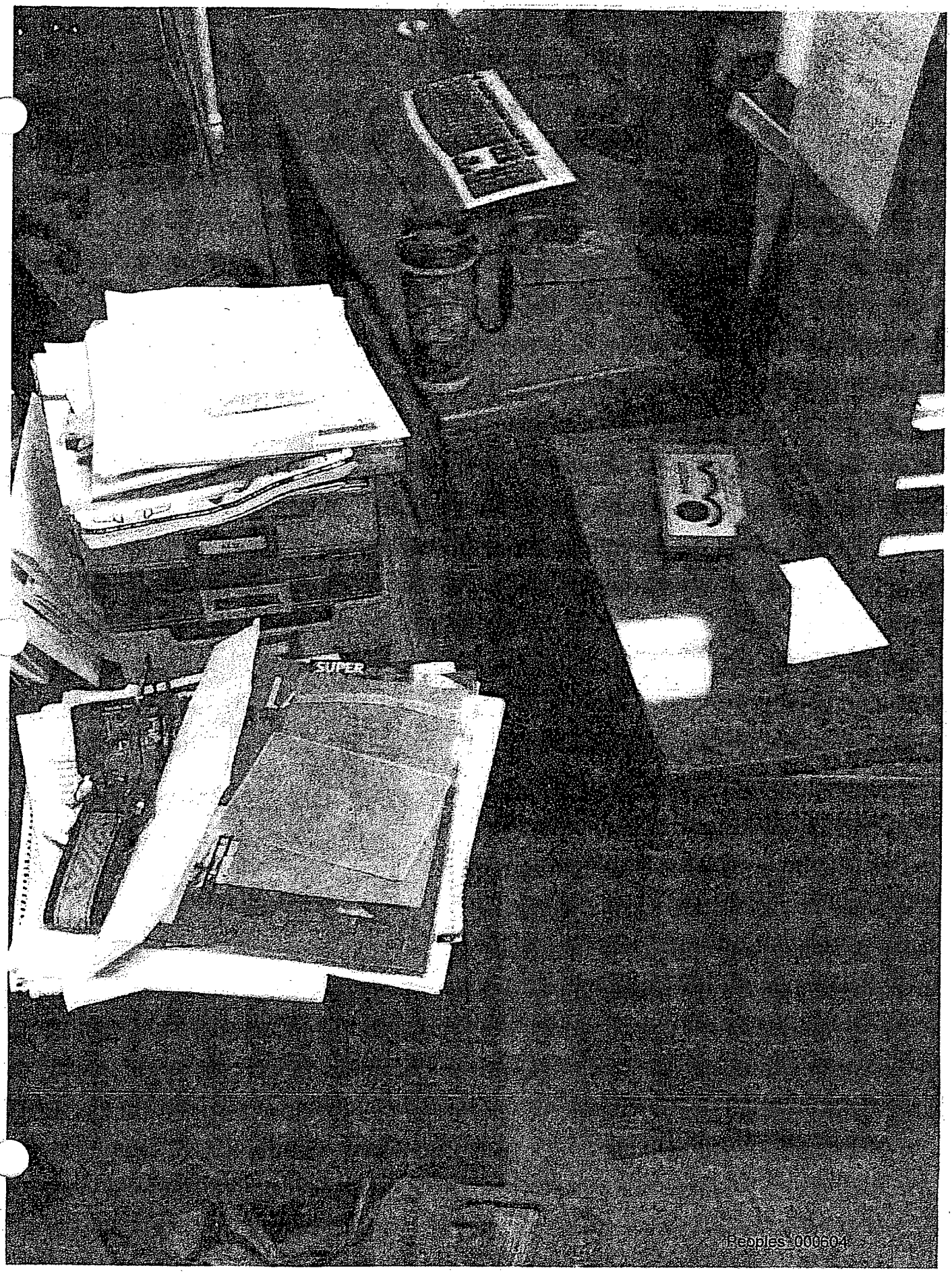


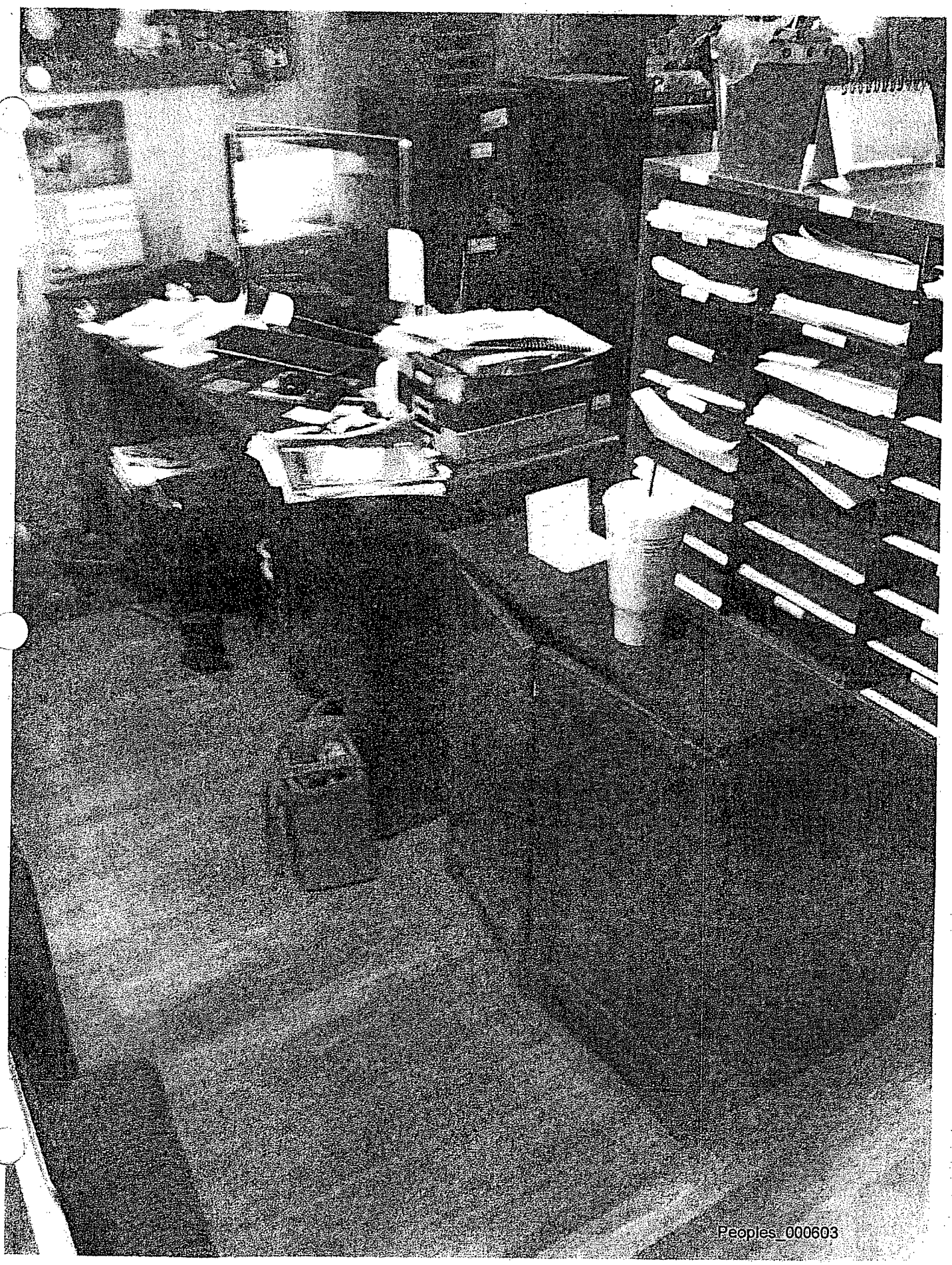
DEFENDANT'S EXHIBIT
CM 12/1/14
Green

PENGUID 800-631-6989


Peoples_000632




SUPER
Repples 000604


Peoples_000603

Transcript from recorded interview with 05 - Donna Jensen Claim # 0296286590101042

Data from original recording

IART=05 - Donna Jensen
ICMT=Interview by Nicole Cantrell. (02H804 - 108513).
ICOP=05/24/2011 10:56:15
IGNR=GEICO Claim File Recorded Interview
IKEY=029628659-0101-042
IMED=Digital voice
INAM=Nicole Cantrell. (02H804 - 108513) at computer M282338
IPRD=Recorder
ISBJ=029628659-0101-042 05 - Donna Jensen
ISFT=Pauses - None
ISRF=Recorded from Phone

Transcription text

THIS IS NICOLE CANTRELL INTERVIEWING BY TELEPHONE FROM 800 841 8842 ON MAY 24TH, 2011 AT APPROXIMATELY 10:56 A.M. EASTERN STANDARD TIME

Q. WOULD YOU PLEASE STATE YOUR FULL NAME
A. DONNA JENSEN J E N S E N

Q. MR. JENSEN DO YOU UNDERSTAND THAT THIS INTERVIEW IS BEING RECORDED
A. YES MA'AM

Q. IS IT BEING MADE WITH YOUR PERMISSION
A. YES

Q. VERIFY FOR ME YOUR HOME MAILING ADDRESS
A. HOME IS 426 BLACKBERRY LANE, MYRTLE BEACH, SOUTH CAROLINA 29579

Q. AND YOUR HOME TELEPHONE NUMBER OR BEST PRIMARY PHONE NUMBER WITH AREA CODE FIRST

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A. 843 222 5262

Q. YOUR DATE OF BIRTH
A. 5 01 63

Q. AND YOUR SOCIAL
A. XXX-XX-4533

Q. OKAY MS. JENSEN I UNDERSTAND THAT YOU WERE INSIDE THE BUILDING WHEN THE BUILDING WAS HIT IS THAT CORRECT
A. YES MA'AM

Q. OKAY AND WHERE WAS THIS WERE YOU IN A CLASSROOM WERE YOU IN AN OFFICE
A. NO I WAS IN SITTING AT MY DESK IN THE OFFICE UHM RIGHT AT THE WINDOW WHERE THE CAR HIT

Q. CAN YOU CONFIRM THE INCIDENT OCCURRED ON MAY THE 11TH, 2011 IS THAT CORRECT
A. THAT'S CORRECT

Q. AROUND WHAT TIME
A. 9:00 A.M. ACTUALLY IT WAS 8:58 A.M. WE HAVE IT RECORDED ON CAMERA

Q. OKAY AND WHAT DO YOU RECALL HAPPENING WHEN YOU'RE SITTING AT YOUR DESK
A. I WAS SITTING AT MY DESK SPEAKING TO ONE OF MY DIRECTORS UHM WHEN I MEAN IT JUST SOUNDED LIKE A BOMB WENT OFF UHM I DIDN'T KNOW WHAT HAPPENED AT THE TIME BUT THE CAR HAD HIT INTO THE BUILDING CAUSING UHM EVERYTHING TO JUST FLY FORWARD SO LIKE MY DESK AND I HAVE AN L SHAPED DESK SO THE DESK JUST WAS PUSHED ACROSS AROUND AND ABOUT EIGHT TO 12 INCHES UHM I HAVE TWO COMPUTER TOWERS UNDER MY DESK SO WHEN IT WAS PUSHED THE COMPUTER TOWERS HIT MY KNEE AND IT THAT WAS THE FIRST THING I REMEMBERED WHEN I GOT UP MY DIRECTOR SAID ARE YOU OKAY I SAID I DON'T KNOW I DID SOMETHING TO MY KNEE AND THEN MY OTHER PART OF THE L SHAPED DESK HIT INTO MY UHM ELBOW AND MY CHAIR SO IT I MEAN I PUT I WAS MOVED ABOUT THREE FEET MY CHAIR HAS WHEELS BUT THE IMPACT HIT YOU KNOW INTO ME AND PUSHED ME ABOUT THREE FEET ACROSS THE ROOM UHM I DON'T KNOW IF YOU WOULD EVEN I DON'T KNOW FOR SURE

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THAT I HAVE SPECIFIC INJURIES I DID GO TO A CHIROPRACTOR BECAUSE I HAD SO MUCH TENSION AND STRESS IN MY BACK AFTERWARDS I REALLY THOUGHT IT WAS JUST FROM THE STRESS OF THE INCIDENT I MEAN WHEN YOU'RE SITTING AT YOUR DESK JUST HAVING A NORMAL MORNING AND ALL OF A SUDDEN YOU KNOW THIS HAPPENS I MEAN IT WAS VERY YOU KNOW ALARMING AND STRESSFUL UHM HOWEVER I HAVE BEEN GOING TO THE CHIROPRACTOR FOR TWO WEEKS AND IT WAS UHM LOOSENED SO IT'S JUST THAT TIGHTNESS AND HE EQUATED IT TO IF I WAS IN A CAR AND GOT HIT FROM BEHIND YOU KNOW I TOOK A SIDE IMPACT INSTEAD OF A BEHIND IMPACT UHM SO I JUST HAVE A LOT OF STIFFNESS AND IT IS PAIN BUT IT'S NOT IT'S JUST SO TIGHT BUT IT MAKES IT PAINFUL FROM THE TOP OF MY NECK TO MY LOWER SPINE UHM SO I'VE JUST BEEN GOING YOU KNOW TO HIM ON A REGULAR BASIS TRYING TO GET IT TO LOOSEN UP

Q. OKAY
A. UHM I HAVE NOT GONE TO THE DOCTOR FOR MY KNEE YET I WAS HOPING THAT IT WOULD JUST KIND OF WORK IT'S WAY OUT BUT THERE IS STILL PAIN ON THE LEFT SIDE OF MY KNEE I THINK WHEN THE COMPUTER TOWER HIT IT IT JUST TWISTED IT UHM AND SO I MEAN IT'S I SHOULD GO TO A DOCTOR I WILL I WAS JUST HOPING THAT IT WOULD KIND OF GO AWAY ON IT'S OWN

Q. OKAY I'M GOING TO BACK UP A LITTLE BIT UHM YOU ADVISED YOU HEARD THE BOOM
A. UH HUH

Q. AND THEN THE DESK WAS PUSHED THE COMPUTER TOWERS CAME DOWN ON WHICH KNEE
A. MY LEFT KNEE

Q. AND PART OF THE DESK HIT YOUR ELBOW AND WHAT ELSE
A. IT HIT MY ELBOW LIKE MY ABOVE MY ELBOW THE ARM

Q. YOUR LEFT ARM
A. MY LEFT ARM

Q. AND WHAT ELSE
A. AND I GUESS IT PROBABLY HIT THE SIDE OF THE CHAIR WHAT HAPPENED WAS ALL THE DRAWERS OF THE DESK CAME OUT AND THAT'S WHEN IT HIT ME SO LIKE EVERYTHING CAME FLYING OUT OF

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THE DESK AND HIT MY ARM AND HIT THE CHAIR AND I GUESS FROM IT HITTING INTO MY ARM IS WHAT PUSHED ME

Q. DID YOU FALL OUT OF THE CHAIR
A. I DID NOT FALL OUT OF THE CHAIR I JUMPED OUT OF THE CHAIR YOU KNOW WHAT I MEAN AS IT WAS HAPPENING WE DIDN'T EVEN KNOW WHAT HAPPENED AND THEN I BENT OVER AND LOOKED OUT THE WINDOW CAUSE MY SHADES WERE DRAWN ALMOST THERE WAS ABOUT SIX INCHES UP AT THE BOTTOM

Q. OKAY
A. BUT I MEAN IT WAS ENOUGH THAT IT YOU KNOW LIKE EVERYTHING FROM THE BOOKSHELF CAME FLYING OFF YOU KNOW IT MOVED THE FURNITURE QUITE A BIT

Q. OKAY AND SO WHEN DID YOU FIRST GO TO A CHIROPRACTOR
A. THAT NEXT DAY

Q. HAVE YOU EVER TREATED WITH A CHIROPRACTOR BEFORE
A. I HAVE OCCASIONALLY NOT ON A REGULAR BASIS AND IT'S THE SAME CHIROPRACTOR

Q. WHEN WAS THE LAST TIME YOU TREATED WITH A CHIROPRACTOR
A. BEFORE THIS

Q. UH HUH
A. I WOULD HAVE TO GET RECORDS FROM THEM PROBABLY A FEW MONTHS EARLIER I WOULD JUST GO YOU KNOW IF I HAD TENSION IN MY UPPER BACK FROM COMPUTER WORK OR JUST I MEAN I DIDN'T GO LIKE ON A WEEKLY BASIS OR ANYTHING IT WOULD JUST BE OCCASIONAL AS NEEDED

Q. OKAY WHEN DID THE NECK AND BACK PAIN START
A. IT WAS IMMEDIATELY THAT DAY BUT I THOUGHT IT WAS JUST STRESS

Q. AND SO YOU WENT ON MAY 12TH
A. UH HUH

Q. AND HOW MANY TIMES HAVE YOU SEEN THEM ROUGHLY SINCE
A. UHM IT'S BEEN TWO OR THREE TIMES A WEEK SINCE THEN

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Q. OKAY AND YOU SAID THE TIGHTNESS IN YOUR NECK AND BACK IS NOT GETTING ANY BETTER

A. NO IT'S JUST THE BEST I CAN DESCRIBE IS LIKE MY WHOLE BACK IS JUST LOCKED UP

Q. SO WHAT DOES THE CHIROPRACTOR PLAN ON DOING FROM HERE HAS HE SAID THERE IS NOTHING ELSE I CAN DO AND IT'S

A. WELL NO HE'S JUST YOU KNOW HE'S PRETTY MUCH SEEING ME LIKE ON AN EVERY OTHER DAY BASIS BECAUSE HE'S SAYING IT'S SO TIGHT THAT HE DOESN'T WANT TO OVER HE DOESN'T WANT TO MAKE IT SORE FROM TOO MUCH WORKING HE'S GOT TO GET IT TO LOOSEN UP FIRST HE DID SAY YOU KNOW HE JUST DIDN'T THINK IT WAS GOING TO BE A ONE OR TWO VISIT TYPE OF THING BUT I MEAN HE HASN'T SAID I NEED TO GO TO ANY OTHER TYPE OF DOCTOR OR ANYTHING

Q. IS YOUR KNEE SWOLLEN AT ALL

A. UHM I DON'T THINK SO

Q. AND HE HASN'T DONE ANYTHING TO YOUR KNEE JUST YOUR BACK

A. NO UH UH I MIGHT JUST HAVE A LITTLE PUFFINESS IN THE ONE SPOT THAT HURTS BUT IT'S NOT LIKE OH MY GOSH LOOK AT YOUR KNEE IT'S SWOLLEN

Q. ANY BRUISING TO THE KNEE ANYTHING LIKE THAT

A. I HAD A BIG BRUISE ON MY LEG UHM THE OTHER LIKE THE KNEE HURTS ON THE INNER RIGHT SIDE BUT THE BRUISE IS ON THE LEFT SIDE WHERE IT HIT BUT I MEAN IT'S GONE NOW

Q. ANY PREVIOUS INJURIES BEFORE

A. UH UH

Q. ANY PREVIOUS CAR ACCIDENTS WORKER'S COMP CASE OR FALLS WHERE YOU WERE INJURED

A. NOPE

Q. ARE YOU CURRENTLY MARRIED OR SINGLE

A. MARRIED

Q. AND YOU ARE EMPLOYED WITH THE LEARNING STATION

A. YES MA'AM

Q. WHAT IS YOUR OCCUPATION WITH THEM

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A. I'M THE OWNER I'M THE DIRECTOR

Q. SO OWNER AND DIRECTOR
A. UH HUH

Q. SO THERE IS NOBODY ABOVE YOU
A. NO

Q. OKAY HAS THERE BEEN A WORKER'S COMP CLAIM FILED
A. NOPE

Q. ANYBODY ELSE IN YOUR BUILDING INJURED
A. NO

Q. ALRIGHT HAVE YOU UNDERSTOOD ALL THE QUESTIONS THAT I'VE ASKED YOU
A. YES

Q. IS THIS RECORDING TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE
A. YES

Q. AND HAS THIS RECORDING BEEN MADE WITH YOUR KNOWLEDGE AND CONSENT
A. YES

THIS IS NICOLE CANTRELL CONCLUDING A RECORDED INTERVIEW WITH DONNA JENSEN ON MAY 24TH, 2011 AT APPROXIMATELY 11:06 A.M. EASTERN STANDARD TIME I WILL NOW TURN OFF THE RECORDER

NC/tj

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Damages Sheet

Donna Jensen
Date of Incident: 5/11/11

Medical Expenses		**$213,345.59**
Carolina Clinic of Chiropractic (5/12/11-8/12/14)	$ 802.00	
Conway Medical Center (5/27/11-5/28/14)	$178,868.61	
Rivertown Family Medicine (5/27/11-4/2/14)	$1,155.00	
Carolina Radiology (5/27/11-1/21/14)	$7,031.00	
Coastal Orthopaedic Assoc. (6/6/11-8/24/11)	$17,694.88	
Carolina Forest Family Eye Care (8/2/11)	$243.00	
Strand Regional Specialty Assoc. (8/2/11-8/10/11)	$321.00	
CPC-Clinical Division (8/4/11-5/28/14)	$1,087.70	
Hospital Physician Services/Basepoint (11/13/13-1/21/14)	$2,752.00	
LabCorp (11/19/13-12/26/13)	$3,439.00	
Prescription Expenses		**$5,749.00**
Kroger Pharmacy (7/11/11-6/24/14)	$5,749.00	
Total Expenses		**$219,094.59**

Note: Plaintiff is currently reviewing the above-listed damages for relevancy. In addition, Plaintiff's damages in this matter are ongoing. Plaintiff reserves the right to supplement this Damages Sheet up until the trial of this action as additional billing statements are received and future expenses/damages are incurred.

PATIENT TRANSACTION HISTORY

TRANSACTIONS FROM 05/19/2011 TO 08/25/2014

Patient: DONNA JENSEN

Address: 426 BLACKBERRY LN.
MYRTLE BEACH, SC 29579

Company Name: CAROLINA CLINIC OF CHIROPRACTIC

Address: 4201 CAROLINA EXCHANGE DR STE 101
MYRTLE BEACH, SC 29579-4394

DX Codes: 723.1 724.1 724.2

Tax ID: 571127790

Date	Description	Carrier	Insurance Balance	Patient Balance	Total Charge	Insurance Charge	Patient Charge
05/19/2011	PAYMENT	PATIENT			$-10.00		$-10.00
10/24/2011	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
10/28/2011	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
10/28/2011	PAYMENT	PATIENT			$-20.00		$-20.00
11/08/2011	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
11/30/2011	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
11/30/2011	PAYMENT	PATIENT			$-10.00		$-10.00
02/09/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
02/09/2012	PAYMENT	PATIENT			$-10.00		$-10.00
02/20/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
02/20/2012	NC - NO CHARGE	PATIENT					
02/20/2012	PAYMENT	PATIENT			$-10.00		$-10 00
02/23/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
02/23/2012	PAYMENT	PATIENT			$-10.00		$-10.00
03/08/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/08/2012	PAYMENT	PATIENT			$-10.00		$-10.00
03/09/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/09/2012	PAYMENT	PATIENT			$-10.00		$-10.00
03/15/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/15/2012	PAYMENT	PATIENT			$-10.00		$-10.00
03/19/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/19/2012	PAYMENT	PATIENT			$-10.00		$-10.00
04/26/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
04/26/2012	A9150 - BIO FREEZE	PATIENT			$12.00		$12.00
[illegible]/2012	PAYMENT	PATIENT			$-22.00		$-22.00
[illegible]30/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
04/30/2012	PAYMENT	PATIENT			$-10.00		$-10.00
09/12/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
09/12/2012	PAYMENT	PATIENT			$-10.00		$-10.00
09/14/2012	NC - NO CHARGE	PATIENT					
11/13/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
11/13/2012	PAYMENT	PATIENT			$-10.00		$-10.00
11/27/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
11/29/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
11/29/2012	PAYMENT	PATIENT			$-20.00		$-20.00
12/20/2012	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
01/18/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
01/18/2013	PAYMENT	PATIENT			$-20.00		$-20.00
02/13/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
02/13/2013	PAYMENT	PATIENT			$-10.00		$-10.00
02/27/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
02/27/2013	PAYMENT	PATIENT			$-10.00		$-10.00
03/06/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/06/2013	PAYMENT	PATIENT			$-10.00		$-10.00
04/17/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
04/17/2013	PAYMENT	PATIENT			$-10.00		$-10.00
04/19/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
04/19/2013	PAYMENT	PATIENT			$-10.00		$-10.00
04/22/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
05/01/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
05/01/2013	PAYMENT	PATIENT			$-20.00		$-20.00
05/09/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
[illegible]2013	PAYMENT	PATIENT			$-10.00		$-10.00
06/27/2013	NC - NO CHARGE	PATIENT					

PATIENT TRANSACTION HISTORY

TRANSACTIONS FROM 05/19/2011 TO 08/25/2014

Patient: DONNA JENSEN

Address: 426 BLACKBERRY LN.
MYRTLE BEACH, SC 29579

Company Name: CAROLINA CLINIC OF CHIROPRACTIC

Address: 4201 CAROLINA EXCHANGE DR STE 101
MYRTLE BEACH, SC 29579-4394

DX Codes: 723.1 724.1 724.2

Tax ID: 571127790

Date	Description	Carrier	Insurance Balance	Patient Balance	Total Charge	Insurance Charge	Patient Charge
06/28/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10 00
09/03/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10 00
09/03/2013	PAYMENT	PATIENT			$-20.00		$-20 00
10/18/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10 00
10/18/2013	PAYMENT	PATIENT			$-10.00		$-10.00
10/23/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
10/23/2013	PAYMENT	PATIENT			$-10.00		$-10.00
12/31/2013	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
12/31/2013	PAYMENT	PATIENT			$-10.00		$-10.00
03/07/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
03/07/2014	PAYMENT	PATIENT			$-10.00		$-10.00
05/29/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
05/29/2014	PAYMENT	PATIENT			$-10.00		$-10.00
06/04/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
06/04/2014	PAYMENT	PATIENT			$-10.00		$-10.00
06/13/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
06/13/2014	PAYMENT	PATIENT			$-10.00		$-10.00
07/11/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
07/11/2014	PAYMENT	PATIENT			$-10.00		$-10.00
08/12/2014	98941 - SPINAL, 3-4	PATIENT			$10.00		$10.00
08/12/2014	PAYMENT	PATIENT			$-10.00		$-10.00
		Totals:	$0.00	$0.00	$0.00	$0.00	$0.00

	Insurance	Patient
Total Payments:	$0.00	$392.00

PROPERTY DAMAGE RELEASE

CLAIM NO: 0296286590101042

KNOW ALL MEN BY THESE PRESENTS:

That the Undersigned, being of lawful age, for sole consideration of Five Thousand dollars ($5,000) to be paid to Donna Jensen as sole owner of four J's and a D LLC dba The Learning Center, do/does hereby and for my/our/its heirs, executors, administrators, successors and assigns release, acquit and forever discharge David S. & Courtney L. Nelson , GEICO Indemnity Insurance Company and his, her, their, or its agents, servants, successors, heirs, executors, administrators and all other persons, firms, corporations, associations or partnerships of and from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen property damage and the consequences thereof resulting or to result from the occurrence on or about the 11th day of May, 2011, at or near Conway SC.

It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim and that the payment made is not to be construed as an admission of liability on the part of the party or parties hereby released, and that said releasees deny liability therefor and intend merely to avoid litigation and buy their peace.

The undersigned further declare(s) and represent(s) that no promise, inducement or agreement not herein expressed has been made to the undersigned, and that this Release contains the entire agreement between the parties hereto, and that the terms of this Release are contractual and not a mere recital.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed and delivered this X twenty ninth day of August, 2011.

CAUTION: READ BEFORE SIGNING BELOW

X Donna M Jensen X _____ LS

_____ LS
Witness

_____ LS
Witness

As per our conversation, you are aware that I have and will be making a substantial personal injury claim I am not releasing those claims,

Thank you

Donna Jensen

STATE OF _____
SS.
COUNTY OF _____

On the _____ day of _____, 20____, before me personally appeared _____ to be known to be the person(s) named herein and who executed the foregoing Release and _____ acknowledged to me that _____ voluntarily executed the same.

My term expires _____, 20____.
NOTARY PUBLIC

Fax to 305-503-7245

GOVERNMENT EMPLOYEES INSURANCE COMPANIES

ACCIDENT INJURY HISTORY

I, _____, do hereby affirm, assert and/or aver that the following is a true and complete recitation:

1. Over my lifetime, I have been involved in ___ accidents. This number includes work-related injuries, slips or falls, automobile accidents and any other events that suddenly and without warning caused injury or trauma to my person. I am listing all such events by date and brief description:

2. Over the past 5 years I received treatment or was examined by the following medical providers. This list includes any and all visits to any and all medical care providers, including those who treated me for the injuries listed in Question 1.

DOCTOR/FACILITY	ADDRESS	INJURY OR COMPLAINT	TREATMENT DATES

Please complete other side

C-105 (9-05) NS

GOVERNMENT EMPLOYEES INSURANCE COMPANIES
WAGE AND SALARY VERIFICATION

DATE	OUR POLICYHOLDER	DATE OF ACCIDENT	CLAIM NUMBER

_____
Employee's Name

_____

_____
Employee's Address

Dear Sir or Madam:

The above named person sustained injuries as a result of an automobile accident on the date indicated. We understand this person is your employee or former employee. To determine what monies may be due to the injured party, please provide us with responses to the following questions, and return this form promptly. Thank you for your cooperation.

GOVERNMENT EMPLOYEES INSURANCE COMPANIES
CLAIMS DEPARTMENT
ONE GEICO CENTER
MACON, GA 31296

1. Occupation: _____
2. Date of Employment: From: _____ Through: _____
3. Dates absent following accident: From: _____ Through: _____
4. Was employee paid during this absence? Yes___ No___ If Yes, Amount Paid $_____
5. Is employee entitled to benefits under a wage or salary continuation plan? Yes___ No___
6. Name of your Workers' Compensation Insurer: _____
7. Has or will a claim be filed under any Workers' Compensation Law for this accident? Yes___ No___

8. SCHEDULE OF WEEKLY EARNINGS — FOR 13 WEEKS PRIOR TO DATE OF ACCIDENT

WEEK NO.	WEEK		NO. OF DAYS WORKED	AMOUNT EARNED INCLUDING OVERTIME OR EXTRA WORK	ADDITIONAL COMPENSATION				GROSS EARNINGS
	FROM DATE	TO DATE			MEALS	BOARD	TIPS	ALL OTHER	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
TOTAL									

EMPLOYER: _____ DATE: _____ PHONE #: _____ TITLE: _____

SIGNED: _____ PRINT NAME: _____

C-255 RR (11-04) NS

NOTICE OF INJURY - PROOF OF LOSS
Allstate Fire and Casualty Insurance Company

Claim Number: 0236432290 Name of Insured: DONNA JENSEN
Residence (street): 426 Blackberry Ln

(city/state/zip code): Myrtle Beach SC 29579

Name of Injured (full name, not initials): Donna Marie Jensen

Age: 48 Date of Birth: 5/1/63 Soc. Sec.#: 153-68-4533

Residence (street): same

(city/state/zip code):

Injured's Occupation: Director-ChildCare Ctr Employer's Name: Self: The Learning Station

Employer's Address: 690 Singleton Ridge Rd Conway SC 29526

Date of Accident 5/11/11 Time: 9 : 00 : am (am / pm (circle one))

Place of Accident: 690 Singleton Ridge Rd Conway SC 29526 (office)

Describe fully how accident occurred: A car driven by Courtney Nelson drove into the building where I was sitting. The impact caused a desk & book shelf to hit me on my left side with full impact. (The cinderblock wall was broken through - furniture was in front of wall/window where crash occured)

Describe fully your injuries: Ruptured Discs: C4, C5, C6, C7 (neck) T-11, T-12 (mid back) L (Lower) Lost feeling in left hand due to impact from desk - cannot fe 1/2 of palm, index, ring & pinky fingers
2 Torn miniscus in (L) Knee, Torn Miniscus in (R) Knee Migraines, anxiety, severe stress induced high blood pressure severe sciatic pain down left leg, complications from neck fusion - difficulty swallowing, severe reflux & one fusion has collapsed causing pain to radiating down left arm (continue)

0236432290 2EH

Accountability Act (HIPAA). A property/casualty insurer is submitting this authorization.

Patient's Name: DONNA Jensen
Date of Birth: 5-1-63
Date of Loss: 5-11-11

Social Security Number: ***-**-4533
Address: 426 Blackberry Ln MB SC 29577

1. I authorize the use or disclosure of the above named individual's health information as described below for the purpose of handling their medical payment claim.
2. The following individuals or organization are authorized to make the disclosure: all persons with knowledge of my medical history
3. The following persons or class of persons may receive disclosure or protected health information about the above named person: Allstate Fire and Casualty Insurance Company.
4. The type of information to be disclosed includes: Allstate Fire and Casualty Insurance Company may request information related to my injury on May 11, 2011, including information related to diagnoses, treatment records, bills and assessments of my current and expected physical condition. Additionally, Allstate Fire and Casualty Insurance Company may request my medical history as it relates to this injury. This information may include but is not limited to historical medical records, past physical condition, diagnoses, and treatment records and bills. Allstate Fire and Casualty Insurance Company may either review or photocopy this information.
5. DJ By **initialing** this area, **I understand that the information in my health records may include information indicating the presence of communicable or venereal diseases which may include, but are not limited to, diseases such as hepatitis, syphilis, gonorrhea and the human immunodeficiency virus, also known as Acquired Immune Deficiency Syndrome (AIDS) or Human Immune Deficiency Virus (HIV).** It may also include information about behavioral and/or mental health services and/or treatment for alcohol and/or drug abuse.
6. Unless otherwise revoked, this authorization will expire on the following date, event or condition: until my claim with Allstate Fire and Casualty Insurance Company is legally concluded.
7. I also understand that I can revoke this authorization at any time by notifying company in writing. I understand that the revocation will not apply to information that has been released in response to this authorization.
8. I understand that if the person or entity that receives the information is not a healthcare provider or health plan covered by the federal privacy regulations, the information described above may be re-disclosed and no longer protected by these regulations.

I understand that THIS IS NOT A RELEASE OF MY CLAIM. I understand that the evaluation of my claim is based on the information available to Allstate Fire and Casualty Insurance Company. I understand that signing this form does not mean I have settled my claim.

CONDITION OF TREATMENT
The covered entity may not condition treatment, payment, enrollment or eligibility for benefits on whether the individual signs this authorization.

Use of Information
Allstate Fire and Casualty Insurance Company and its representatives will use this information to verify and evaluate my claim in order to determine an appropriate resolution. In some instances, Allstate Fire and Casualty Insurance Company may also furnish the information to professional organizations whose purpose is to detect and deter insurance fraud. We may furnish it to other insurance companies to whom a claim has or may be submitted. We may disclose copies of the bills and or medical records to third parties as needed to seek reimbursement or repayment of benefits paid under the policy.
A photocopy of this authorization is as valid as the original.

Donna M Jensen
Signature of patient or authorized Legal Guardian, Health Care Agent, or other authorized Personal Representative

3-7-12
Date

If signed by a Legal Representative, relationship to patient

Claim Number: 0236432290 2EH
Insured: DONNA JENSEN

C2255

NOTICE OF CLAIM

Policy Number: 000955612117
Claim Number: 0236432290 RNG

NAME AND ADDRESS OF INSURED: Jeffrey + Donna Jensen

YOUR NAME AND ADDRESS 426 Blackberry Ln Myrtle Beach SC 29579

AGE 48 RELATIONSHIP TO INSURED – insured –

DATE AND TIME OF ACCIDENT 5/11/11 9:00am PLACE OF ACCIDENT 690 Singleton Ridge Rd Conway

Describe fully how accident occurred Courtney Nelson was parking her car. Instead of hitting the brake, she hit the gas, driving into the building, crashing through the cinderblock wall, causing all of the furnishings to hit me causing injuries.

Year and make of uninsured automobile involved in this accident _____ LICENSE # _____

NAME AND ADDRESS OF OWNER _____

NAME AND ADDRESS OF DRIVER Courtney Nelson 2002 E. Pine Loop Conway SC 29521

State fully how you know this automobile to be uninsured they had minimum coverage, not nearly enough for expenses.

In whose automobile were you at time of accident? n/a

How did you happen to be in the automobile? n/a

Describe your injuries in detail Ruptured C4, C5, C6, C7, T11, T12, L4 discs in spine, torn miniscus in both knees, injury to left hand caused by furniture hitting wrist

Names and addresses of Doctors who have rendered service see list provided by Brittain Law Firm Charges See list

Name of hospital Conway Medical Charges see list

Employer's name and address self: owner The Learning Station

Your Occupation Director Amount of weekly salary owners draw/equity

How long employed with this employer? 9 years

(Please see reverse)

0236432290 RNG

lost?

Give dates of last time if any from employment as a result of this accident See attached

Give amount of earnings lost as a result of this accident _____

Signed this 19 day of March A.D., 2012 at _____ State of S.C.

Witness _____ (Signed) Donna M Jensen
(Insured)

0236432290 RNG

Work Hours Lost

Re: Donna Jensen

Date	Reason	Hours Missed
5/16/11	Appt. Dr. Shirley	2
5/17/11-5/26/11	Light Duty/Rest/Ice and Dr. Shirley	32
5/27/11	Referred to Dr. Alford/ xrays at CMC	4
5/31/11-6/1/11	Light Duty/ rest ice	8
6/2/11 - 6/3/11	Appt.-- Dr. Alford	8
6/6/11	Appt w/Dr Mills more xrays	4
6/7/11-6/9/11	Light Duty/rest	12
6/10/11	Physical Therapy/ Light Duty	4
6/13/11	Emergency Room	4
6/14/11	Light Duty	4
6/15/11	appt. Dr. Mills	4
6/16/11-6/17/11	Light Duty	8
6/20/11	appt -Dr. Alford	3
6/21/11-	Light Duty	4
6/22/11	appt- Dr. Mills	4
6/23/11-6/27/11	Light Duty	12
6/28/11	MRI	5
6/29/11	Light Duty	3
6/30/11	appt. -Dr. Mills	4
7/1/11	Light Duty	4
7/4/11-7/8/11	Vacation	0
7/13/11	MRI	4
7/14/11-7/15/11	Light Duty	8
7/18/11	Dr. Mills discussing neck surgery	9
7/19/11	Dr. Elliott	4
7/20/11	MRI	4

162

Work Hours Lost
Re: Donna Jensen

Date	Reason	Hours Missed
7/21/11-7/25/11	Light Duty	12
7/26/11	appt. - Dr. Mills	5
7/27/11	Light Duty	4
7/28/11	Spinal Epidural Shots	9
7/29/11	Rest from shots	6
7/30/11-8/1/11	Light Duty	8
8/2/11	appt. Dr. Benjamin	4
8/3/11	Light Duty	4
8/4/11	Pre- Op	4
8/5/11 - 8/8/11	Light Duty	8
8/9/11	MRI	4
8/10/11-8/11/11	Light Duty	8
8/12/11-9/2/11	Surgery - Neck Fusion	118
9/5/11-9/9/11	Recovery	33
9/13/11-/9/27/11	Light Duty	29
9/28/11	MRI	5
9/29/11	Nerve study- Dr. Mills & Appt Dr. Alford	9
9/30/11	Light Duty	3
10/3/11	appt. - Dr. Sutton	5
10/4/11	Light Suty	3
10/5/11	Dr. Haskins	5
10/7/11	Light Duty	4
10/10/11-10/11/11	Light Duty	6
10/12/11	Swallow Test/ER	9
10/13/11	Light Duty	6
10/14/11	Pre-op	6
10/17/11	Dr. Sutton	4
10/20/11-10/21/11	Hand Surgery/Dr. Haskins	18
10/24/11	Light Duty	3

350

Work Hours Lost
Re: Donna Jensen

Date	Reason	Hours Missed
10/26/11	appt. - Dr. Mills	4
10/27/11- 10/31/11	light duty	8
11/2/11	Dr. Haskins	5
11/3/11-11/16/11	light duty	30
11/17/11	Pre-op	5
11/18/11-11/2911	Light duty	16
11/30/11	Emergency Room	9
12/1/11	appt. Dr. Alford	3
12/5/11	appt. Dr. Mills	3
12/6/11-12/23/11	light duty	28
1/3/11-3/19/11	Continued light duty/losing 2 or 3 hrs per day	106
		217
	Total	729 hrs
	Per our accountant – Since I am the business owner and go by owners equity & profit a fair hourly rate for my wages is $160. per hour!	
	Total Wage Loss	43,7400.00

March 29 , 2010

Four J'S & AD LLC
Dba The Learning Center
690 Singleton Ridge Rd
Conway SC 29526

Re: **RENEWAL EXPIRATION NOTICE OF**
Liability & Property Coverage on April 17, 2010

Your **Liability and Property Policy for location** will expire on April 17 , 2010..As part of our service as your insurance agent we are sending this advance notice of expiration. Please notify us if there have been any changes in your operation which might require amendments to your coverage.

By paying your premium now you are protected by keeping your coverage in force without interruption. Certain insurance companies require a waiting period in order to reinstate coverage for payments received after the due date. **If they need to be any changes please call me for it is based on expiring policy. See sign the attached and return to our office with check...**

Annual Renewal Premium for above: Liability Premium $3,750.00
Property Premium $ 9,942.80
Building amount $ 1,000,000 Property $100,000 Liability Agg. $2,000,000
Down payment for the above is $2,000.00 with 10 monthly payments @ 1287.37.

Please mail or come to the office before April 17, 2010 to renew...You can renew any time now to be effective April 17 , 2010 ...

Kindest Regards,
Cheryl Hiers

[redacted]
THE PREMIUM.PLEASE DO NOT FORWARD DIRECTLY TO THE INSURANCE COMPANY, FOR SOME CANNOT BIND WITHOUT THE AGENT'S REQUEST:

ANDERSON GEN. INS 3721 WESLEY ST UNIT 133 MYRTLE BEACH SC 29579

STANDARD PREMIUM FINANCE MANAGEMENT CORP. PO BOX 522941 MIAMI, FLORIDA 33152-2941

CONTRACT NO. PENDIN-G

PREMIUM FINANCE AGREEMENT

THIS AGREEMENT is made on the date indicated between the assured and STANDARD PREMIUM FINANCE MANAGEMENT CORPORATION, a Florida Corporation hereinafter called "SPFMC", for the financing of the balance of the premiums on the following insurance policies:

POLICY NUMBER	Full Name and Address of Insurance Company and Name & Address of General Agent to which policy premium is paid	FOR SPFMC USE ONLY	INCEPTION DATE	POLICY EXPIRES	TYPE OF COVERAGE	PREMIUM
	UNITED STATES LIABIL/SOUTHERN CROSS UNDERWRI		4/17/2010	4/17/2011	GENERAL LIA	$3,750.00
	GREAT LAKES REINSURA/JOHNSON & JOHNSON, INC.				OTHER (COMMERCI	$9,942.80
	⊙ Coupons ○ ACH* ○ Monthly Billing					

(A) CASH PRICE (Total Premiums)	(B) YOUR CASH DOWN PAYMENT	(C) AMOUNT FINANCED The Amount of credit provided to you or on your behalf. Unpaid balance of cash price.	(D) FINANCE CHARGE The dollar amount the credit will cost you.	(E) DOCUMENTARY STAMPS State required documentary stamps	(F) Total of Payments (BALANCE DUE) The amount you will have paid after you have made all payments as scheduled.	(G) ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	(H) DEFERRED PAYMENT PRICE (B plus F)
13692.80	2000.00	11692.80	1180.90	0.00	12873.70	21.47	14873.7

State Documentary Stamp Tax Where Applicable by Law in the amount stated above will be paid directly to the Department of Revenue.

YOUR PAYMENT SCHEDULE WILL BE:

Amount of Each Payment	Number of Payments	Payments are Due Monthly Beginning (DATE OF FIRST PAYMENT)
1287.37	10	5/17/2010

Each of the monthly payments is due on the same day of each succeeding month until paid in full.

SECURITY: You are giving a security interest in any and all unearned return premiums, dividends and loss payments which may become payable under the policies.
LATE CHARGE: If a payment is 5 days late, you will be charged 5% of the late installment, but no less than $1.50 for Georgia, Florida, Alabama and Mississippi; not less than $1.00 for South Carolina. In Texas and Tennessee, if a payment is 10 days late, you will be charged 5% of the installment, but no less than $2.00 for Tennessee or otherwise prescribed by the state jurisdiction (not to exceed $10.00 on personal lines in Florida).
PREPAYMENT: If you payoff early, you may be entitled to a refund or part of the finance charge, although you may have to pay a prepayment penalty. See the reverse side/page 2 of this document for additional information about nonpayment, default, and prepayment penalties.

FEDERAL TRUTH IN LENDING DISCLOSURES

FOR VALUE RECEIVED: the undersigned insured promises and agrees to pay to the order of "SPFMC" the sum of (being the total of payments above) pursuant to all of the terms and conditions contained in the Schedule above and in the Terms and Conditions of this agreement, all of which are incorporated herein. 12873.70

NOTICE: SEE REVERSE SIDE/PAGE 2 FOR IMPORTANT INFORMATION

NOTICE: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. 3. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND UNDER CERTAIN CONDITIONS OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGE.

DO NOT SIGN THIS AGREEMENT UNTIL ALL REMAINING CONDITIONS ON REVERSE SIDE/PAGE 2 HAVE BEEN READ BY YOU.

THE UNDERSIGNED EXECUTED THIS LOAN AGREEMENT AND RECEIVED A COPY THEREOF THIS 30 DAY OF MARCH 2010

Policy will be cancelled for Non-Payment

(PRINT OR TYPE)

SIGNATURE OF INSURED (If Corporation, Title of Officer Signing)

FOUR JS & AD LLC
INSURED NAME (as stated in policy)

C/O

690 SINGLETON RIDGE RD
Address

CONWAY, SC 29526 8433490108
City, State, Zip Code Home phone Work phone

X

X

S.S. # or Business I.D. # Driver's License

AGENT'S NOTE: The undersigned agent hereby certifies that all policies listed above hereof have been issued and delivered and that the down payment as shown in the contract has been paid by or on behalf of the insured and that all policies listed therein were issued by this agency. The undersigned warrants that the above contract evidences a bona fide and legal transaction, that the assured is of legal age and has capacity to contract, that the signature is genuine and that he has delivered a copy of this contract to the insured. The agent further states that none of the policies listed hereon contain an audit or reporting form. Agent acknowledges that it is not affiliated in any capacity or manner with SPFMC and agrees in the event of cancellation to remit the gross unearned commissions or unearned premiums to SPFMC upon request.

ANDERSON GENERAL INSURANCE 40036

3721 WESLEY ST #133

MYRTLE BEACH,SC 29579

PRINT NAME AND ADDRESS OF AGENT OR BROKER OF THE INSURANCE POLICY (IES)

X

SIGNATURE OF BROKER OR AGENT

Peoples_000198

The Learning Station
690 Singleton Ridge Rd.
Conway, SC 29526
(843)349-0108

April 15, 2010

Southern Cross Underwriters, Inc.
PO Box 2576
Sumter, SC 29151

RE: Four J's & AD, LLC
Policy # CL1169137A
CL1169137
CL1153081

To Whom it May Concern:

Please fax Hard Copy Loss Runs to 843-903-5740 for the above noted Insured and above Noted Policy Numbers.

If you have any questions or if you need anything else, please let me know.

Sincerely,

Donna Jensen
Owner

Peoples_000201

Search

UNITED STATES LIABILITY INSURANCE GROUP

190 South Warner Road
Wayne, PA 19087
(610) 688-2535 800-523-5545
Claims Fax (610) 687-9398

To: SOUTHERN CROSS UNDERWRITERS (SUMTER, SC)
Attn: Renee Middleton
Fax: 8775354331
Date: 4/16/2010
RE: LOSS RUN REQUEST
INSURED: THE LEARNING STATION

Policy # Eff. Dates	Insured Name	Claim #	D/L	Incurred	PD Loss	PD Exp	O/S Loss Reserve	O/S Exp Reserve	Status
CL1169137 4/17/2008-4/17/2009	THE LEARNING STATION	No Claims Found							
CL1169137A 4/17/2009-4/17/2010	FOUR J'S & AD LLC	No Claims Found							

Search

UNITED STATES LIABILITY INSURANCE GROUP

190 South Warner Road
Wayne, PA 19087
(610) 688-2535 800-523-5545
Claims Fax (610) 687-9398

To: SOUTHERN CROSS UNDERWRITERS (SUMTER, SC)
Attn: Renee Middleton
Fax: 8775354331
Date: 4/16/2010
RE: LOSS RUN REQUEST
INSURED: FOUR J'S & AD LLC

Policy # Eff. Dates	Insured Name	Claim #	D/L	Incurred	PD Loss	PD Exp	O/S Loss Reserve	O/S Exp Reserve	Status
CL1153081 9/8/2005-9/8/2006	FOUR J'S & AD LLC	No Claims Found							

Lossrun

Matt Wiseman

COLONY

Loss run report

As of: 4/15/2010

Policy

Name insured: FOUR J'S&D

Policy #: CF3616200

Company name: COLONY INSURANCE COMPANY

Agent name: CRC INS SERVICES INC DBA SOUTHERN CROSS UW (SUMTER)

Source C

Claims

Total incurred for all claims: $97,458.00

Total Payments: $97,458.00

Total Reserve: $0.00

Total incurred for this period: $97,458.00

Payments for this period: $97,458.00

Reserve for this period: $0.00

Policy period: **4/17/2008 - 4/17/2009**

Claim #:	168336	Date of Loss:	1/4/2009
Claimant Name:	FOUR J'S&D	Reported Date:	1/5/2009
Total Incurred:	$97,457.56	Closed Date:	3/15/2009
Current Reserve:	$0.00	Status:	Closed
Current Payments:	$97,457.56	Cause of Loss:	Property (1st Party)
Deductible Amount:	$2,000.00	Coverage Description:	Contents
		Deductible Status:	First Party - Property
		Deductible Amount Owed:	$0.00
Indemnity Paid:	$92,864.49	Expense Paid:	$4,593.07
Indemnity Reserve:	$0.00	Expense Reserve:	$0.00
Indemnity Total:	$92,864.49	Expense Total:	$4,593.07
Salvage:	$0.00	Cur Driver:	
Loss Description:	insd stated water fountain leaked and wasn't discovered for almost a day-2" water on floor	Subrogation:	$0.00

SELECTIVE®

Quotation of Commercial Insurance

Social Services

New Business

Prepared for:
FOUR JS & A D, LLC
690 SINGLETON RIDGE RD
CONWAY, SC 295269154

PEOPLES UNDERWRITERS, INC.

Presented By:
PEOPLES UNDERWRITERS INC

Proposal Date: 04/16/2010

SELECTIVE®

Quotation of Commercial Insurance

Social Services

New Business

Prepared for:
FOUR JS & A D, LLC
690 SINGLETON RIDGE RD
CONWAY, SC 295269154

Presented By:
PEOPLES UNDERWRITERS INC

Proposal Date: 04/16/2010

The following quotation of insurance has been developed for the above captioned risk.
IT IS AGREED AND UNDERSTOOD NO COVERAGE HAS BEEN BOUND.

This quotation will expire after (30) days or the effective date of requested coverages unless otherwise notified. Please refer to page three for Quote premiums.

Selective Insurance Group, Inc., founded in 1926, is the 47th largest property-casualty company in the US. We are a customer-focused, regional company, providing a range of insurance and alternative risk management products and services through over 800 independent agents in 21 states. Through our subsidiaries, Selective offers claims, human resources and risk management services. Selective has been rated A+ (Superior) for 47 consecutive years. We are also rated 'A+' by Standard & Poor's, 'A+' by Fitch Ratings, and 'A2' by Moody's Investor services. Selective was recently named as one of Forbes magazine's '400 Best Big Companies in America', for the fifth consecutive year. For more information, please visit our website at www.Selective.com

Underwritten By:
Selective Ins Co of the Southeast

SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

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Abuse Molestation	10
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Automobile	11
Terrorism Information	13
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This non-binding proposal is only a summary of premium. It is not a guarantee that the actual premium will not exceed the amount of the proposal. No coverage is provided by this summary nor does it replace any provisions of the final policy. For specific terms and restrictions, refer to the individual policy and coverage forms.

SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Premium Summary

Coverage	Premium
Property	$526.00
General Liability	$2,049.00
Abuse Molestation	$750.00
Social Service Professional	$1,500.00
Automobile	$1,982.00
Total Premium	**$6,807.00**

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Line Of Business Premium Recap

Property Premium Totals

Coverages	
Business Personal Property	$483.00
Power Pac Class Rated Premium	$25.00
Terrorism Premium	$18.00
Grand Total LOB Premium	$526.00

General Liability Premium Totals

Coverages	Premium
Premises Operations	$2,009.00
Terrorism Premium	$40.00
Grand Total LOB Premium	$2,049.00

Abuse / Molestation Premium Totals

Coverages	Premium
Social Services Sexual Abuse/Molestation	$292.00
Policy Minimum Premium Diff	$458.00
Grand Total LOB Premium	$750.00

Social Service Professional Premium Totals

Coverages	Premium
Agency Charge	$950.00
Prior Acts Retroactive Date:	
Policy Minimum Premium Diff	$550.00
Grand Total LOB Premium	$1,500.00

Automobile Premium Totals

Liab Coverages	Premium	Phy Dmg Coverages	Premium
Liability	$1,352.00	Comprehensive	$50.00
Medical Payments	$86.00	Collision	$58.00
Um/uim (bi/csl)	$68.00		
Uim (bi/pd)	$138.00		
Excess Hired	$68.00		

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Non-owned	$123.00		
Terrorism Premium	$39.00		
Liability Total Premium	$1,874.00	Phy Dmg Total Premium	$108.00
		Grand Total LOB Premium	$1,982.00

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Policy Location Schedule

Loc#	Bldg#	Street	City	State	Zip
001	001	690 SINGLETON RIDGE RD	CONWAY	SC	29526

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Policy Auto Schedule

Veh #	State	Year	Make/Model	VIN	Comp Ded	Coll Ded	Premium
001	SC	95	CHEVROLET/12 PASSENGER	TBD12345678977777	1000	1000	$876.00
002	SC	95	CHEVROLET/12 PASSENGER	TBD12345678910000	1000	1000	$876.00

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Property

Policy Level

Deductible: 1,000
Coinsurance: Bldg: 80 BPP: 80

Optional Coverages/Extensions	Limit	Premium
Systems Power Pac Clas Rated Deductibles		
Combined All Coverages Ded: Follows Property Deductible		

Location Level

Location 001/001 - 690 SINGLETON RIDGE RD, CONWAY, SC

Coverage	Limit	Premium
Business Pers Prop	100,000	$483.00
Systems Power Pac		$25.00
Location 001/001 - Total Premium		$508.00

Other

Terrorism Premium	$18.00	
Total Property Premium		**$526.00**

General Liability

Policy Level

	Limit	Premium
General Aggregate	3,000,000	
Products/Completed Ops	3,000,000	
Each Occurrence	1,000,000	
Personal & Advertising Injury	1,000,000	
Fire Damage	100,000	
Medical Expense	15,000	
Liquor Law Liability Aggregate		
Liquor Law Liability Occurrence		

Location Level

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Location 001/001 - 690 SINGLETON RIDGE RD, CONWAY, SC
Class 41715 - DAY CARE CENTERS OTHER THAN NOT FOR

Coverage	Exposure	Premium
Premises Operation	195	$1,899.00

Location 001/001 - 690 SINGLETON RIDGE RD, CONWAY, SC
Class 47469 - SCHOOLS FACULTY LIABILITY FOR CORPORAL

Coverage	Exposure	Premium
Premises Operation	22	$110.00

Other	Premium
Terrorism Premium	$40.00

Total General Liability Premium **$2,049.00**

Abuse / Molestation

	Limit	Premium
Each Abusive Conduct / Aggregate	1,000,000/3,000,000	$292.00
Deductible:	NONE	Each Abusive Conduct
Exposure:	1,307	

Other	
Policy Minimum Premium Diff	$458.00

Total Social Services Sexual Abuse/Molestation Premium **$750.00**

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Social Service Professional

	Limit	Premium
Each Claim/ Aggregate Limit	1,000,000/3,000,000	
Agency Charge		$950.00

Other

Policy Minimum Premium Diff		$550.00
Total Social Service Professional Premium		**$1,500.00**

Automobile

Policy Level

	Limit	Premium
Liability Limit Type CSL		
- Liability	1,000,000	

State Level Coverages (SC)

Coverage	Limit	Premium
Non-Owned	IF ANY	$123.00
Excess Hired	IF ANY	$68.00

Vehicle Level

Vehicle SC/001 : 1995 CHEVROLET 12 PASSENGER BUS VIN# TBD12345678977777

Coverage	Limit	Premium
Liability	1,000,000	$676.00
Medical Payments	5,000	$43.00
UM/UIM (BI/CSL)	1,000,000	$34.00
Comprehensive	1,000 Ded	$25.00
Collision	1,000 Ded	$29.00
UIM (BI/CSL)	1,000,000	$69.00
Vehicle Total Premium		$876.00

Vehicle SC/002 : 1995 CHEVROLET 12 PASSENGER BUS VIN# TBD12345678910000

Coverage	Limit	Premium

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Liability	1,000,000	$676.00
Medical Payments	5,000	$43.00
UM/UIM (BI/CSL)	1,000,000	$34.00
Comprehensive	1,000 Ded	$25.00
Collision	1,000 Ded	$29.00
UIM (BI/CSL)	1,000,000	$69.00
Vehicle Total Premium		$876.00

Other	Premium
Terrorism Premium	$39.00
Total Automobile Premium	**$1,982.00**

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Terrorism Information

You are hereby notified that under the Terrorism Risk Insurance Extension Act of 2005, effective January 1, 2006, we must make terrorism coverage available under the policies we offer. However, the actual coverage available under our policies for acts of terrorism is limited by the terms, conditions, exclusions, limits, other provisions of the coverage quote to which this offer is attached and by the policy, any endorsements to the policy and generally applicable rules of law.

Terrorism coverage provided for certified acts is partially reimbursed by the United States Government under a formula established by federal law. Under this formula, the United States Government will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of covered terrorism losses (85% in 2007) exceeding the statutorily established deductible paid by the insurance company providing the coverage. Coverage lines not subject to the federal participation are commercial auto, burglary and theft, surety, professional liability and farmowners.

YOUR POLICY INCLUDES TERRORISM COVERAGE FOR AN ADDITIONAL PREMIUM OF $97.00.

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SELECTIVE®

Quotation of Commercial Insurance

FOUR JS & A D, LLC

Quote # 38162500

Policy Period: 04/17/10 to 04/17/11

Billing Information

eSelect® Online Services ® for Direct Bill Customers	Sign Up for Electronic Payments	Payment Plans
• *eSelect Online Services®* available to direct bill customers through *Selective's website • 24X7 access to real-time billing information, including: o Bill day date and amount o Payment status o Future installment due o Printable copy of bill o Billing address information o Pay plan information • Allows insured to view billing information when convenient for them	With our *SelectPay™* service, you can enroll to pay your bill from a checking account, savings account, credit or debit card ** (VISA or MasterCard) with these features: • Convenient, safe and secure (Selective Insurance has made internet security a top priority. Our Privacy Policy protects your personal information. View our Privacy Policy on www.selective.com) • Installment fees are not charged on bills paid while enrolled in *SelectPay™* • View and pay your bill through *eSelect® Online Services* • Choose automatic payments or control each payment date and amount yourself • Receive email alerts on your account • Enter your banking, credit or debit card information once • No additional fees ** Eligible customers can pay bills through *SelectPay™* using a credit or debit card. Eligible accounts are all personal lines bills and commercial bills for accounts under $20,000 that include one of the following lines of business: Special Contractors, Builder's Risk, Business Owner's or Fidelity Bond. Selective currently accepts Visa or MasterCard for payment.	Selective offers four standard payment plans. Your professional agent can help determine the pay plan available. Policies on the same account may have different payment plans. **1 Pay**: Due in full at inception **2 Pay**: Two equal installments; 50% due at inception, 50% due five months after inception. **4 Pay**: Four equal installments; 25% due at inception, 25% due 2 months after inception, 25% due 5 months after inception, and 25 % due 8 months after inception. **Quarterly**: Commercial Line Policies; four equal installments; 25% due at inception; 25% billed at three months intervals. **10 Pay**: Ten installments; 19% due at inception, remaining premium is divided evenly and due each consecutive month for 9 months. Installment fees apply where applicable

The Selective insurance companies are: Selective Insurance Company of America, Selective Auto Insurance Company of New Jersey, Selective Insurance Company of the Southeast, Selective Way Insurance Company, Selective Insurance Company of South Carolina, and Selective Insurance Company of New York.

This is not an advertisement to sell products in those states in which Selective is not qualified to do business or has not secured the necessary licenses to do business. Not all of Selective insurance companies' products are available in all states.

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CSR: MW

COMMERCIAL INSURANCE APPLICATION

APPLICANT INFORMATION SECTION

DATE (MM/DD/YYYY): 4/16/2010

AGENCY
eoples Underwriters, Inc.- CF
Caroline Forest
PO Box 1535
Conway, SC 29528
Matt Wiseman CIC CISR

CARRIER: Selective Ins. Co. of SC
NAIC CODE:
UNDERWRITER:
UNDERWRITER OFFICE:
POLICIES OR PROGRAM REQUESTED: DAY CARE
POLICY NUMBER:

CONTACT NAME: Matt Wiseman CIC CISR
PHONE (A/C, No, Ext): 843-903-5746
FAX (A/C, No): 843-903-5740
E-MAIL ADDRESS:
CODE:
SUB CODE:
AGENCY CUSTOMER ID: THELE-1

INDICATE SECTIONS ATTACHED

	ACCOUNTS RECEIVABLE/ VALUABLE PAPERS		ELECTRONIC DATA PROC
	BOILER & MACHINERY		EQUIPMENT FLOATER
X	BUSINESS AUTO		GARAGE AND DEALERS
X	COMMERCIAL GENERAL LIABILITY		GLASS AND SIGN
	CRIME/MISCELLANEOUS CRIME		INSTALLATION/BUILDERS RISK
	DEALERS		OPEN CARGO
	DRIVER INFO SCHEDULE	X	PROPERTY
			TRANSPORTATION/ MOTOR TRUCK CARGO
			TRUCKERS/MOTOR CARRIER
			UMBRELLA
			VEHICLE SCHEDULE
			WORKERS COMPENSATION
			YACHT

STATUS OF TRANSACTION

[ ] QUOTE [X] ISSUE POLICY [ ] RENEW
[ ] BOUND (Give Date and/or Attach Copy):
[ ] CHANGE DATE: TIME: 12:00 [X] AM [ ] PM
[ ] CANCEL

PACKAGE POLICY INFORMATION

ENTER THIS INFORMATION WHEN COMMON DATES AND TERMS APPLY TO SEVERAL LINES, OR FOR MONOLINE POLICIES.

PROPOSED EFF DATE	PROPOSED EXP DATE	BILLING PLAN	PAYMENT PLAN	AUDIT
04/17/10	04/17/11	[X] DIRECT BILL		
		[ ] AGENCY BILL	PACKAGE POLICY PREMIUM: $	

APPLICANT INFORMATION

NAME (First Named Insured & Other Named Insureds)
Four J's & AD, LLC dba
The Learning Center

MAILING ADDRESS INCL ZIP+4 (of First Named Insured)
Mrs. Donna Jensen
890 Singleton Ridge Road
Conway, SC 29526

FEIN OR SOC SEC # (of First Named Insured):
PHONE (A/C, No, Ext): 843-369-0108
E-MAIL ADDRESS(ES): djensen104@aol.com
WEBSITE ADDRESS(ES):

[ ] INDIVIDUAL [ ] CORPORATION [ ] SUBCHAPTER 'S' CORPORATION [X] LLC NO. OF MEMBERS AND MANAGERS
[ ] PARTNERSHIP [ ] JOINT VENTURE [ ] NOT FOR PROFIT ORG
BUSINESS TYPE OTHER
CR BUREAU NAME:
ID NUMBER:
DATE BUS STARTED:

INSPECTION CONTACT: Mrs. Donna Jensen
PHONE (A/C, No, Ext): 843-369-0108
E-MAIL ADDRESS:
ACCOUNTING RECORDS CONTACT: SAME
PHONE (A/C, No, Ext):
E-MAIL ADDRESS:

PREMISES INFORMATION

ACORD 823 attached for additional premises

LOC #	SLD #	STREET, CITY, COUNTY, STATE, ZIP+4	CITY LIMITS	INTEREST	YR BUILT	# EMPLOYEES	ANNUAL REVENUES	% OCCUPIED
001	001	890 Singleton Ridge Road Conway SC 29526 Horry	[X] INSIDE [ ] OUTSIDE	[ ] OWNER [X] TENANT	2000	0	0	100
			[ ] INSIDE [ ] OUTSIDE	[ ] OWNER [ ] TENANT				
			[ ] INSIDE [ ] OUTSIDE	[ ] OWNER [ ] TENANT				
			[ ] INSIDE [ ] OUTSIDE	[ ] OWNER [ ] TENANT				

NATURE OF BUSINESS/DESCRIPTION OF OPERATIONS BY PREMISE(S)

001 001 Day Care Center

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Peoples_000327

GENERAL INFORMATION

AGENCY CUSTOMER ID: THELE-1 CSR: MW

EXPLAIN ALL "YES" RESPONSES	Y/N
1a. IS THE APPLICANT A SUBSIDIARY OF ANOTHER ENTITY ?	N
1b. DOES THE APPLICANT HAVE ANY SUBSIDIARIES?	N
2 IS A FORMAL SAFETY PROGRAM IN OPERATION?	Y
3. ANY EXPOSURE TO FLAMMABLES, EXPLOSIVES, CHEMICALS?	N
4 ANY CATASTROPHE EXPOSURE?	N
5 ANY OTHER INSURANCE WITH THIS COMPANY OR BEING SUBMITTED? All Lines being Submitted	Y
6 ANY POLICY OR COVERAGE DECLINED, CANCELLED OR NON-RENEWED DURING THE PRIOR THREE (3) YEARS? (Not applicable in MO)	N
7. ANY PAST LOSSES OR CLAIMS RELATING TO SEXUAL ABUSE OR MOLESTATION ALLEGATIONS, DISCRIMINATION OR NEGLIGENT HIRING?	N
8. DURING THE LAST FIVE YEARS (TEN IN RI), HAS ANY APPLICANT BEEN INDICTED FOR OR CONVICTED OF ANY DEGREE OF THE CRIME OF FRAUD, BRIBERY, ARSON OR ANY OTHER ARSON-RELATED CRIME IN CONNECTION WITH THIS OR ANY OTHER PROPERTY? (In RI, this question must be answered by any applicant for property insurance. Failure to disclose the existence of an arson conviction is a misdemeanor punishable by a sentence of up to one year of imprisonment).	N
9. ANY UNCORRECTED FIRE CODE VIOLATIONS?	N
10. ANY BANKRUPTCIES, TAX OR CREDIT LIENS AGAINST THE APPLICANT IN THE PAST FIVE (5) YEARS?	N
11 HAS BUSINESS BEEN PLACED IN A TRUST? IF "YES", NAME OF TRUST.	N
12. ANY FOREIGN OPERATIONS, FOREIGN PRODUCTS DISTRIBUTED IN USA, OR US PRODUCTS SOLD/DISTRIBUTED IN FOREIGN COUNTRIES? (If "YES", attach ACORD 815 for Liability Exposure and/or ACORD 816 for Property Exposure)	N

REMARKS/PROCESSING INSTRUCTIONS (Attach additional sheets if more space is required)

COPY OF THE NOTICE OF INFORMATION PRACTICES (PRIVACY) HAS BEEN GIVEN TO THE APPLICANT. (Not applicable in all states, consult your agent or broker for your state's requirements.)

NOTICE OF INSURANCE INFORMATION PRACTICES - PERSONAL INFORMATION ABOUT YOU, INCLUDING INFORMATION FROM A CREDIT REPORT, MAY BE COLLECTED FROM PERSONS OTHER THAN YOU IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT POLICY RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. YOU HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT YOUR AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US.

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND [NY: SUBSTANTIAL] CIVIL PENALTIES. (Not applicable in CO, FL, HI, MA, NE, OH, OK, OR, or VT; in DC, LA, ME, TN, VA and WA, insurance benefits may also be denied)

IN FLORIDA, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

THE UNDERSIGNED IS AN AUTHORIZED REPRESENTATIVE OF THE APPLICANT AND REPRESENTS THAT REASONABLE ENQUIRY HAS BEEN MADE TO OBTAIN THE ANSWERS TO QUESTIONS ON THIS APPLICATION. HE/SHE REPRESENTS THAT THE ANSWERS ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF HIS/HER KNOWLEDGE.

PRODUCER'S SIGNATURE	PRODUCER'S NAME (Please Print)	STATE PRODUCER LICENSE NO (Required in Florida)
Matt Wiseman	Matt Wiseman CIC CISR	
APPLICANT'S SIGNATURE	DATE	NATIONAL PRODUCER NUMBER
Donna M Jensen	4-16-10	192183

Peoples_000328

AGENCY CUSTOMER ID: THELE-1 CSR: MW

PRIOR CARRIER INFORMATION

LINE	CATEGORY	00 - 10											
COMMERCIAL GENERAL LIABILITY	CARRIER	USLI											
	POLICY NUMBER	TBD											
	POLICY TYPE		CLAIMS MADE	X OCCURRENCE		CLAIMS MADE / OCCURRENCE		CLAIMS MADE / OCCURRENCE		CLAIMS MADE / OCCURRENCE		CLAIMS MADE / OCCURRENCE	
	RETRO DATE												
	EFF-EXP DATE	04/17/00	04/17/10										
LIMITS	GENERAL AGGREGATE		2,000,000										
	PRODUCTS COMP OP AGGREGATE		1,000,000										
	PERSONAL & ADV INJ		1,000,000										
	EACH OCCURRENCE		1,000,000										
	FIRE DAMAGE		100,000										
	MEDICAL EXPENSE		5,000										
	BODILY INJURY OCCURRENCE												
	BODILY INJURY AGGREGATE												
	PROPERTY DAMAGE OCCURRENCE												
	PROPERTY DAMAGE AGGREGATE												
	COMBINED SINGLE LIMIT												
	MODIFICATION FACTOR												
	TOTAL PREMIUM												
AUTOMOBILE LIABILITY	CARRIER	Progressive											
	POLICY NUMBER	TBD											
	POLICY TYPE	AUTO											
	EFF-EXP DATE												
	COMBINED SINGLE LIMIT												
	BODILY INJURY EA PERSON												
	BODILY INJURY EA ACCIDENT												
	PROPERTY DAMAGE												
	MODIFICATION FACTOR												
	TOTAL PREMIUM												
PROPERTY	CARRIER	Great Lakes											
	POLICY NUMBER	TBD											
	POLICY TYPE	PROPERTY											
	EFF-EXP DATE	04/17/09	04/17/10										
	X BUILDING AMT		1,000,000										
	X PERS PROP AMT		100,000										
	MODIFICATION FACTOR												
	TOTAL PREMIUM												
	CARRIER												
	POLICY NUMBER												
	POLICY TYPE												
	EFF-EXP DATE												
	LIMIT												
	MODIFICATION FACTOR												
	TOTAL PREMIUM												

LOSS HISTORY

ENTER ALL CLAIMS OR LOSSES (REGARDLESS OF FAULT AND WHETHER OR NOT INSURED) OR OCCURRENCES THAT MAY GIVE RISE TO CLAIMS FOR THE PRIOR 5 YEARS (3 YEARS IN KS & NY)

CHK HERE IF NONE [ ] X SEE ATTACHED LOSS SUMMARY

DATE OF OCCURRENCE	LINE	TYPE/DESCRIPTION OF OCCURRENCE OR CLAIM	DATE OF CLAIM	AMOUNT PAID	AMOUNT RESERVED	CLAIM STATUS OPEN	CLAIM STATUS CLSD
	PROP	Water line to water fountain broke		90,000	0		X

REMARKS NOTE: FIDELITY REQUIRES A FIVE YEAR LOSS HISTORY

ATTACHMENTS

[ ] STATE SUPPLEMENT(S) (If applicable)

[ ]

Peoples_000329

ACORD BUSINESS AUTO SECTION

CSR: MW

DATE (MM/DD/YY): 4/16/2010

PRODUCER
PHONE (A/C, No, Ext): 843-903-5746
FAX NO. (A/C, No, Ext): 843-903-5740
Peoples Underwriters, Inc.- CF
Carolina Forest
PO Box 1535
Conway, SC 29528
Matt Wiseman CIC CISR
CODE: SUB CODE:
AGENCY CUSTOMER ID: THELE-1

APPLICANT (First Named Insured): The Learning Station

EFFECTIVE DATE	EXPIRATION DATE	DIRECT BILL	PAYMENT PLAN	AUDIT
04/17/10	04/17/11	X		

AGENCY BILL

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COVERAGES/LIMITS

COVERAGES	COVERED AUTO SYMBOLS	LIMITS
LIABILITY	X 1 2 3 4 7 8 9	X CSL BI EA PER $ 1,000,000 BI EACH ACCIDENT $ PROPERTY DAMAGE $
PERSONAL INJURY PROTECTION	5 7	OR EQUIVALENT NO-FAULT COVERAGE $ DEDUCTIBLE
ADDITIONAL PIP	5 7	TOTAL W/C $ $ M/E $
MEDICAL PAYMENTS	X 2 3 4 7 8	EACH PERSON $ 5,000
UNINSURED MOTORIST	X 2 3 4 6 7	X CSL BI EA PER $ 1,000,000 BI EACH ACCIDENT $ PROPERTY DAMAGE $
UNDERINSURED MOTORIST	X 2 3 4 6 7	X CSL BI EA PER $ 1,000,000 BI EACH ACCIDENT $ PROPERTY DAMAGE $
HIRED/BORROWED LIABILITY	STATES SC	COST OF HIRE X IF ANY BASIS $
NON-OWNED LIABILITY	STATES SC	GROUP TYPE NUMBER OF X EMPLOYEES 20 VOLUNTEERS PARTNERS

COVERAGES	COVERED AUTO SYMBOLS	LIMITS

PHYSICAL DAMAGE

TOWING & LABOR	3 7	$
COMPREHENSIVE	2 3 X 4 7 8	
SPECIFIED CAUSES OF LOSS	2 3 4 7 8	
COLLISION	2 3 X 4 7 8	

HIRED PHYSICAL DAMAGE	STATES	# DAYS	# VEH	COVERAGE/DEDUCTIBLE
				COMP $ SPEC C OF L $ COLL $

COVERAGE IS: PRIMARY/SECONDARY

ENDORSEMENTS, FORMS, CONDITIONS

PIP Per/Acc Limits:

COVERED AUTO SYMBOLS
(1) ANY AUTO
(2) ALL OWNED AUTOS
(3) OWNED PRIVATE PASSENGER AUTOS
(4) OWNED AUTOS OTHER THAN PRIVATE PASSENGER
(5) ALL OWNED AUTOS WHICH REQUIRE NO-FAULT COVERAGE
(6) OWNED AUTOS SUBJECT TO COMPULSORY U M LAW
(7) AUTOS SPECIFIED ON SCHEDULE
(8) HIRED AUTOS
(9) NON-OWNED AUTOS

DRIVER INFORMATION (Include drivers who frequently use own vehicles)

DRIVER #	NAME (Include address, if required)	DATE OF BIRTH	YEAR LIC	DRIVERS LICENSE NUMBER/ SOCIAL SECURITY NUMBER	STATE LIC	USE VEH #	% USE
001	Donna Jensen	05/01/63		003630266	SC		
002	Frances Carrasco	10/22/66		C620240668820	FL		

VEHICLE DESCRIPTION

VEH #	YEAR	MAKE:	MODEL:	BODY TYPE:	V.I.N:	SYM/AGE	COST NEW
001	1995	Chevrolet	Bus	BUS	1GBHG31K9SF121727		$ 15,000

CITY, STATE, ZIP WHERE GARAGED	TERR	GVW/GCW	CLASS	SIC	FACTOR	SEAT CP	RADIUS	FARTHEST TERM
Conway SC 29526	177						60	

DRIVE TO WORK/SCHOOL	USE		CHECK COVERAGES		ADD'L PIP		UNORINS MOTOR		F		LSP	DEDUCTIBLES:	ACV		COMP	SPEC C OF L
UNDER 15 MILES	PLEASURE	X COMM'L	LIAB	X	MED PAY	X	TOWING & LABOR		FT		COMP	AA	ST AMT	X	$ 1000	
15 MILES OR OVER	FARM	RETAIL	PIP	X	UNINS MOTOR		SPEC C OF L		FTW		COLL	$			$ 1000	COLL
		SERVICE														

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THELE-1 CSR: MW

VEHICLE DESCRIPTION (continued)

VEH #	YEAR	MAKE	MODEL	BODY TYPE	V.I.N.	SYM/AGE	COST NEW
002	1995	Chevrolet	Bus	BUS	1GDHG31Y8SF522116		$ 15,000

CITY, STATE, ZIP WHERE GARAGED: Conway SC 29526 | TERR: 177 | GVW/GCW | CLASS | SIC | FACTOR | SEAT CP | RADIUS: 50 | FARTHEST TERM

DRIVE TO WORK/SCHOOL | USE | COMM'L | CHECK COVERAGES

- UNDER 15 MILES | PLEASURE | RETAIL | LIAB
- 15 MILES OR OVER | FARM | SERVICE | PIP

USE	X	COMM'L		CHECK COVERAGES		ADD'L PIP	X	UNDRINS MOTOR		F		LSP	DEDUCTIBLES ACV	X
		RETAIL	X	LIAB	X	MED PAY		TOWING & LABOR		FT		COMP	AA ST AMT	$ 1,000
		SERVICE		PIP	X	UNINS MOTOR		SPEC C OF L		FTW		COLL	$	$ 1,000 COLL

VEH #	YEAR	MAKE	MODEL	BODY TYPE	V.I.N.	SYM/AGE	COST NEW
							$

CITY, STATE, ZIP WHERE GARAGED | TERR | GVW/GCW | CLASS | SIC | FACTOR | SEAT CP | RADIUS | FARTHEST TERM

DRIVE TO WORK/SCHOOL | USE | COMM'L | CHECK COVERAGES

- UNDER 15 MILES | PLEASURE | RETAIL | LIAB
- 15 MILES OR OVER | FARM | SERVICE | PIP

USE		COMM'L		CHECK COVERAGES		ADD'L PIP		UNDRINS MOTOR		F		LSP	DEDUCTIBLES ACV	
		RETAIL		LIAB		MED PAY		TOWING & LABOR		FT		COMP	AA ST AMT	$
		SERVICE		PIP		UNINS MOTOR		SPEC C OF L		FTW		COLL	$	$ COLL

VEH #	YEAR	MAKE	MODEL	BODY TYPE	V.I.N.	SYM/AGE	COST NEW
							$

CITY, STATE, ZIP WHERE GARAGED | TERR | GVW/GCW | CLASS | SIC | FACTOR | SEAT CP | RADIUS | FARTHEST TERM

DRIVE TO WORK/SCHOOL | USE | COMM'L | CHECK COVERAGES

- UNDER 15 MILES | PLEASURE | RETAIL | LIAB
- 15 MILES OR OVER | FARM | SERVICE | PIP

USE		COMM'L		CHECK COVERAGES		ADD'L PIP		UNDRINS MOTOR		F		LSP	DEDUCTIBLES ACV	
		RETAIL		LIAB		MED PAY		TOWING & LABOR		FT		COMP	AA ST AMT	$
		SERVICE		PIP		UNINS MOTOR		SPEC C OF L		FTW		COLL	$	$ COLL

VEH #	YEAR	MAKE	MODEL	BODY TYPE	V.I.N.	SYM/AGE	COST NEW
							$

CITY, STATE, ZIP WHERE GARAGED | TERR | GVW/GCW | CLASS | SIC | FACTOR | SEAT CP | RADIUS | FARTHEST TERM

DRIVE TO WORK/SCHOOL | USE | COMM'L | CHECK COVERAGES

- UNDER 15 MILES | PLEASURE | RETAIL | LIAB
- 15 MILES OR OVER | FARM | SERVICE | PIP

USE		COMM'L		CHECK COVERAGES		ADD'L PIP		UNDRINS MOTOR		F		LSP	DEDUCTIBLES ACV	
		RETAIL		LIAB		MED PAY		TOWING & LABOR		FT		COMP	AA ST AMT	$
		SERVICE		PIP		UNINS MOTOR		SPEC C OF L		FTW		COLL	$	$ COLL

ADDITIONAL INTERESTS/CERTIFICATE RECIPIENTS (ATTACH acord 45 FOR ADDITIONAL NAMES)

INTEREST	RANK:	NAME AND ADDRESS	REFERENCE #:	CERTIFICATE REQUIRED	INTEREST IN ITEM NUMBER
	ADDITIONAL INSURED				LOCATION: BUILDING:
	LOSS PAYEE				VEHICLE: BOAT:
	MORTGAGEE				SCHEDULED ITEM NUMBER:
	LIENHOLDER				OTHER
	EMPLOYEE AS LESSOR				

ITEM DESCRIPTION:

GENERAL INFORMATION

EXPLAIN ALL "YES" RESPONSES	YES	NO		YES	NO
1. WITH THE EXCEPTION OF ENCUMBRANCHES, ARE ANY VEHICLES NOT SOLELY OWNED BY AND REGISTERED TO THE APPLICANT?			7. DO OPERATIONS INVOLVE TRANSPORTING HAZARDOUS MATERIAL?		
			8. ANY HOLD HARMLESS AGREEMENTS?		
			9. ANY VEHICLES USED BY FAMILY MEMBERS? IF SO, IDENTIFY IN REMARKS		
2. DO OVER 50% OF THE EMPLOYEES USE THEIR AUTOS IN THE BUSINESS?			10. DOES THE APPLICANT OBTAIN MVR VERIFICATIONS?		
3. IS THERE A VEHICLE MAINTENANCE PROGRAM IN OPERATION?			11. DOES THE APPLICANT HAVE A SPECIFIC DRIVER RECRUITING METHOD?		
4. ARE ANY VEHICLES LEASED TO OTHERS?			12. ARE ANY DRIVERS NOT COVERED BY WORKERS COMPENSATION?		
5. ARE ANY VEHICLES CUSTOMIZED, ALTERED OR HAVE SPECIAL EQUIPMENT?			13. ANY VEHICLES OWNED BUT NOT SCHEDULED ON THIS APPLICATION?		
6. ARE ICC, PUC OR OTHER FILINGS REQUIRED?			14. ANY DRIVERS WITH MOVING TRAFFIC VIOLATIONS?		

DESCRIPTION OF GARAGE/STORAGE LOCATIONS | MAXIMUM DOLLAR VALUE SUBJECT TO LOSS

REMARKS

UNINSURED AND UNDERINSURED MOTORISTS COVERAGES (Check the appropriate box(es) below and sign where applicable)

DO NOT USE IN AR, AZ, CA, CT, DE, FL, GA, IA, IL, MD, NJ, NV, OK, OR, PA, RI, SC, WV; USE SPECIFIC STATE SUPPLEMENT. MINIMUM UM LIMITS REQUIRED IN DC, ME, MN, MO, VT, VA, WA, WI

I UNDERSTAND AND ACKNOWLEDGE THAT UNINSURED MOTORIST (UM) AND UNDERINSURED MOTORISTS (UIM) COVERAGES HAVE BEEN EXPLAINED TO ME. I HAVE BEEN OFFERED THE OPTIONS OF:

- ☐ SELECTING UM AND UIM LIMITS EQUAL TO MY LIABILITY LIMITS,
- ☐ SELECTING UM AND UIM LIMITS LOWER THAN MY LIABILITY LIMITS, OR
- ☐ REJECTING COVERAGE ENTIRELY

I UNDERSTAND THAT THE COVERAGE SELECTION AND LIMIT CHOICES INDICATED HERE WILL APPLY TO ALL FUTURE POLICY RENEWALS, CONTINUATIONS AND CHANGES UNLESS I NOTIFY YOU OTHERWISE IN WRITING.

1. I SELECT UM AND UIM LIMITS INDIC IN THIS APP _____ (APPLICANT'S SIGNATURE)
2. I REJECT UM BODILY INJURY COVERAGE _____ (APPLICANT'S SIGNATURE)
3. I REJECT UIM BODILY INJURY COVERAGE _____ (APPLICANT'S SIGNATURE)
4. I REJECT UM PROPERTY DAMAGE COVERAGE _____ (APPLICANT'S SIGNATURE)
5. I REJECT UIM PROPERTY DAMAGE COVERAGE _____ (APPLICANT'S SIGNATURE)

ACORD 127 (2/96) ATTACH TO APPLICANT INFORMATION SECTION

Peoples_000331

THELE-1 CSR: MW

The Learning Station

ADDITIONAL VEHICLE INFORMATION

VEHICLE # 3

001	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			
002	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			
	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			
	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			
	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			
	LIAB	EP	EA	OPT CODES: PD	UNINS MOTOR	EP	EA	OPT CODES: PD
	PIP	EP	EA	OPT CODES: DED	UNDRINS MOTOR	EP	EA	OPT CODES: PD
	ADD PIP	WC	ME	OPT CODES: TOT	TOWING & LABOR	LIMIT		OPT CODE:
	MED PAY	EA		OPT CODES:	OTHER COVERAGE			

ATTACH TO COMMERCIAL BUSINESS AUTO APPLICATION

APPLIED 127COV (2005/10)

Peoples_000332

CSR: MW

ACORD

COMMERCIAL GENERAL LIABILITY SECTION

DATE (MM/DD/YYYY): 4/16/2010

AGENCY	PHONE (A/C, No, Ext): 843-903-5746
	FAX (A/C, No): 843-903-5740
Peoples Underwriters, Inc.- CF Carolina Forest PO Box 1535 Conway, SC 29528 Matt Wiseman CIC CISR	CODE: SUB CODE:
	AGENCY CUSTOMER ID: THELE-1

APPLICANT (First Named Insured): The Learning Station

EFFECTIVE DATE	EXPIRATION DATE	X	DIRECT BILL / AGENCY BILL	PAYMENT PLAN	AUDIT
04/17/10	04/17/11				

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COVERAGES

X	COMMERCIAL GENERAL LIABILITY		GENERAL AGGREGATE	$ 3,000,000	PREMIUMS
	CLAIMS MADE	X OCCURRENCE	PRODUCTS & COMPLETED OPERATIONS AGGREGATE	$ 3,000,000	PREMISES/OPERATIONS $
	OWNER'S & CONTRACTOR'S PROTECTIVE		PERSONAL & ADVERTISING INJURY	$ 1,000,000	PRODUCTS $
			EACH OCCURRENCE	$ 1,000,000	
DEDUCTIBLES			DAMAGE TO RENTED PREMISES (each occurrence)	$ 100,000	OTHER $
	PROPERTY DAMAGE $	PER CLAIM	MEDICAL EXPENSE (Any one person)	$ 15,000	
	BODILY INJURY $	PER OCCURRENCE	EMPLOYEE BENEFITS	$	TOTAL $
	$				

OTHER COVERAGES, RESTRICTIONS AND/OR ENDORSEMENTS (For hired/non-owned auto coverages attach the applicable state Business Auto Section, ACORD 137)

SCHEDULE OF HAZARDS

LOC #	HAZ #	CLASSIFICATION	CLASS CODE	PREMIUM BASIS	EXPOSURE	TERR	RATE PREM/OPS	RATE PRODUCTS	PREMIUM PREM/OPS	PREMIUM PRODUCTS
001 001		Day Care Centers other than Not for Profit.		T	195	001				
001 001		Day Care Centers Corporal Punishment		T	22	001				

RATING AND PREMIUM BASIS
(P) PAYROLL - PER $1,000/PAY
(C) TOTAL COST - PER $1,000/COST
(U) UNIT - PER UNIT
(S) GROSS SALES - PER $1,000/SALES
(A) AREA - PER 1,000/SQ FT
(M) ADMISSIONS - PER 1,000/ADM
(T) OTHER

CLAIMS MADE (Explain all "Yes" responses)

EXPLAIN ALL "YES" RESPONSES	Y / N
1. PROPOSED RETROACTIVE DATE:	
2. ENTRY DATE INTO UNINTERRUPTED CLAIMS MADE COVERAGE	
3. HAS ANY PRODUCT, WORK, ACCIDENT, OR LOCATION BEEN EXCLUDED, UNINSURED OR SELF-INSURED FROM ANY PREVIOUS COVERAGE?	
4. WAS TAIL COVERAGE PURCHASED UNDER ANY PREVIOUS POLICY?	

EMPLOYEE BENEFITS LIABILITY

1. DEDUCTIBLE PER CLAIM $	3. NUMBER OF EMPLOYEES COVERED BY EMPLOYEE BENEFITS PLANS:
2. NUMBER OF EMPLOYEES:	4. RETROACTIVE DATE:

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CONTRACTORS

THELE-1 CSR: MW

EXPLAIN ALL "YES" RESPONSES (For past or present operations)	Y/N
1. DOES APPLICANT DRAW PLANS, DESIGNS, OR SPECIFICATIONS FOR OTHERS?	N
2. DO ANY OPERATIONS INCLUDE BLASTING OR UTILIZE OR STORE EXPLOSIVE MATERIAL?	N
3. DO ANY OPERATIONS INCLUDE EXCAVATION, TUNNELING, UNDERGROUND WORK OR EARTH MOVING?	N
4. DO YOUR SUBCONTRACTORS CARRY COVERAGES OR LIMITS LESS THAN YOURS?	N
5. ARE SUBCONTRACTORS ALLOWED TO WORK WITHOUT PROVIDING YOU WITH A CERTIFICATE OF INSURANCE?	N
6. DOES APPLICANT LEASE EQUIPMENT TO OTHERS WITH OR WITHOUT OPERATORS?	N

DESCRIBE THE TYPE OF WORK SUBCONTRACTED	$ PAID TO SUB-CONTRACTORS:	% OF WORK SUBCONTRACTED:	# FULL-TIME STAFF:	# PART-TIME STAFF:

PRODUCTS/COMPLETED OPERATIONS

PRODUCTS	ANNUAL GROSS SALES	# OF UNITS	TIME IN MARKET	EXPECTED LIFE	INTENDED USE	PRINCIPAL COMPONENTS

EXPLAIN ALL "YES" RESPONSES (For any past or present product or operation) PLEASE ATTACH LITERATURE, BROCHURES, LABELS, WARNINGS, ETC.	Y/N
1 DOES APPLICANT INSTALL, SERVICE OR DEMONSTRATE PRODUCTS?	N
2. FOREIGN PRODUCTS SOLD, DISTRIBUTED, USED AS COMPONENTS? (If "YES", attach ACORD 816)	N
3. RESEARCH AND DEVELOPMENT CONDUCTED OR NEW PRODUCTS PLANNED?	N
4 GUARANTEES, WARRANTIES, HOLD HARMLESS AGREEMENTS?	N
5 PRODUCTS RELATED TO AIRCRAFT/SPACE INDUSTRY?	N
6. PRODUCTS RECALLED, DISCONTINUED, CHANGED?	N
7 PRODUCTS OF OTHERS SOLD OR RE-PACKAGED UNDER APPLICANT LABEL?	N
8. PRODUCTS UNDER LABEL OF OTHERS?	N
9 VENDORS COVERAGE REQUIRED?	N
10. DOES ANY NAMED INSURED SELL TO OTHER NAMED INSUREDS?	N

ADDITIONAL INTEREST/CERTIFICATE RECIPIENT ☐ ACORD 45 attached for additional names THELE-1 CSR: MW

INTEREST	RANK:	NAME AND ADDRESS	REFERENCE #:	CERTIFICATE REQUIRED	INTEREST IN ITEM NUMBER
☐ ADDITIONAL INSURED					LOCATION: BUILDING:
☐ LOSS PAYEE					VEHICLE: BOAT:
☐ MORTGAGEE					SCHEDULED ITEM NUMBER:
☐ LIENHOLDER					OTHER
☐ EMPLOYEE AS LESSOR					
		ITEM DESCRIPTION:			

GENERAL INFORMATION

EXPLAIN ALL "YES" RESPONSES (For all past or present operations)	Y/N
1. ANY MEDICAL FACILITIES PROVIDED OR MEDICAL PROFESSIONALS EMPLOYED OR CONTRACTED?	N
2. ANY EXPOSURE TO RADIOACTIVE/NUCLEAR MATERIALS?	N
3. DO/HAVE PAST, PRESENT OR DISCONTINUED OPERATIONS INVOLVE(D) STORING, TREATING, DISCHARGING, APPLYING, DISPOSING, OR TRANSPORTING OF HAZARDOUS MATERIAL? (e.g. landfills, wastes, fuel tanks, etc)	N
4. ANY OPERATIONS SOLD, ACQUIRED, OR DISCONTINUED IN LAST FIVE (5) YEARS?	N
5. MACHINERY OR EQUIPMENT LOANED OR RENTED TO OTHERS?	N
6 ANY WATERCRAFT, DOCKS, FLOATS OWNED, HIRED OR LEASED?	N
7. ANY PARKING FACILITIES OWNED/RENTED?	N
8. IS A FEE CHARGED FOR PARKING?	N
9. RECREATION FACILITIES PROVIDED?	N
10 IS THERE A SWIMMING POOL ON THE PREMISES?	N
11. SPORTING OR SOCIAL EVENTS SPONSORED?	N
12. ANY STRUCTURAL ALTERATIONS CONTEMPLATED?	N
13. ANY DEMOLITION EXPOSURE CONTEMPLATED?	N
14. HAS APPLICANT BEEN ACTIVE IN OR IS CURRENTLY ACTIVE IN JOINT VENTURES?	N
15. DO YOU LEASE EMPLOYEES TO OR FROM OTHER EMPLOYERS?	N
16 IS THERE A LABOR INTERCHANGE WITH ANY OTHER BUSINESS OR SUBSIDIARIES?	N

Peoples_000335

GENERAL INFORMATION (continued) THELE-1 CSR: MW

EXPLAIN ALL "YES" RESPONSES (For all past or present operations)	Y/N
17. ARE DAY CARE FACILITIES OPERATED OR CONTROLLED?	N
18. HAVE ANY CRIMES OCCURRED OR BEEN ATTEMPTED ON YOUR PREMISES WITHIN THE LAST THREE (3) YEARS?	N
19. IS THERE A FORMAL, WRITTEN SAFETY AND SECURITY POLICY IN EFFECT?	N
20 DOES THE BUSINESSES' PROMOTIONAL LITERATURE MAKE ANY REPRESENTATIONS ABOUT THE SAFETY OR SECURITY OF THE PREMISES?	N

REMARKS

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND (NY: SUBSTANTIAL) CIVIL PENALTIES. (Not applicable in CO, FL, HI, MA, NE, OH, OK, OR or VT. In DC, LA, ME, TN, VA and WA insurance benefits may also be denied).
IN FLORIDA, ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

Peoples_000336

CSR: MW

ACORD™ PROPERTY SECTION

DATE (MM/DD/YYYY): 4/16/2010

AGENCY
PHONE (A/C, No, Ext): 843-903-5746
FAX (A/C, No): 843-903-5740
Peoples Underwriters, Inc.- CF
Carolina Forest
PO Box 1535
Conway, SC 29528
Matt Wiseman CIC CISR
CODE: SUB CODE:
AGENCY CUSTOMER ID: THELE-1

APPLICANT The Learning Station
(First Named Insured)

EFFECTIVE DATE	EXPIRATION DATE	X	DIRECT BILL	PAYMENT PLAN	AUDIT
04/17/10	04/17/11		AGENCY BILL		

FOR COMPANY USE ONLY

PREMISES INFORMATION

PREMISES #: 001 STREET ADDRESS: 680 Singleton Ridge Road Conway SC 29526
BUILDING #: 001 BLDG DESCRIPTION: Day Care Center

SUBJECT OF INSURANCE	AMOUNT	COINS %	VALUATION	CAUSES OF LOSS	INFLATION GUARD %	DEDUCTIBLE	BLKT COV	FORMS AND CONDITIONS TO APPLY
BUS PERS PROP	100,000	90	RC	SPECIAL		1,000		3% WIND
LOSS BI/EE								ALS

ADDITIONAL INFORMATION | Y | BUSINESS INCOME / EXTRA EXPENSE | BUSINESS INCOME W/O EXTRA EXPENSE | EXTRA EXPENSE

TYPE OF BUSINESS: [X] NON MFG [ ] MFG [ ] MINING ____ % COINS
ORDINARY PAYROLL: [ ] EXCL [ ] INCL [ ] 90 DAYS [X] 180 DAYS [ ] $ ____
POWER/HEAT: $ ____ DED
ELEC MEDIA: ____ DAYS
ORD OR LAW: ____ DAYS
[ ] EXT PERIOD ____ DAYS
[ ] MO PERIOD ____ LIMIT
[ ] MAX PERIOD
[ ] TUITION FEES $ ____ STUDENTS $ ____ OTHER ED SERV/INC
OFF PREM POWER: [ ] POWER [ ] WATER [ ] COMM (DESCR BELOW)
[ ] DEPEND PROP ____ % COIN [ ] CONT LOC [ ] REC LOC [ ] MFG LOC [ ] LDR LOC (DESC BELOW)

NAME AND ADDRESS(ES) FOR OFF PREM POWER OR DEPEND PROP

[ ] EXTRA EXPENSE ____ DAYS PERIOD REST
LIMIT LOSS PAY ____% ____% ____% ____%

ADDITIONAL COVERAGES, OPTIONS, RESTRICTIONS, ENDORSEMENTS AND RATING INFORMATION

CONSTRUCTION TYPE	DISTANCE TO HYDRANT (FT)	DISTANCE TO FIRE STA (MI)	FIRE DISTRICT/CODE NUMBER	PROT CL	# STORIES	# BASM'TS	YR BUILT	TOTAL AREA
FRAME			Conway/	05	1	0	2000	9,800

BUILDING IMPROVEMENTS
[ ] WIRING, YR: [ ] PLUMBING, YR:
[ ] ROOFING, YR: [ ] HEATING, YR:
[ ] OTHER:

BLDG CODE GRADE | TAX CODE | ROOF TYPE
WIND CLASS: [ ] RESISTIVE [ ] SEMI-RESISTIVE [ ] OTHER

OTHER OCCUPANCIES
HEATING BOILER ON PREMISES? [ ] YES [ ] NO
IF YES, IS INSURANCE PLACED ELSEWHERE? [ ] YES [ ] NO

RIGHT EXPOSURE & DISTANCE | LEFT EXPOSURE & DISTANCE | REAR EXPOSURE & DISTANCE

BURGLAR ALARM TYPE | CERTIFICATE # | EXPIRATION DATE | EXTENT | GRADE
[ ] CENTRAL STATION [ ] WITH KEYS [ ] CLOCK HOURLY
BURGLAR ALARM INSTALLED AND SERVICED BY
GUARDS/WATCHMEN

PREMISES FIRE PROTECTION (Sprinklers, Standpipes, CO2/Chemical Systems) | % SPRNK: 0 | FIRE ALARM MANUFACTURER
[ ] CENTRAL STATION [ ] LOCAL GONG

ADDITIONAL INTERESTS

RANK: | NAME AND ADDRESS: | REFERENCE #: | CERTIFICATE REQUIRED | INTEREST IN ITEM NUMBER
INTEREST: [ ] LOSS PAYEE [ ] MORTGAGEE
LOCATION: | BUILDING:
SCHEDULED ITEM NUMBER:
OTHER:
ITEM DESCRIPTION:

VALUE REPORTING INFORMATION

REPORTING FORM: PROVIDE AVERAGE VALUES FOR PAST 12 MONTHS SUBJECT OF INSURANCE	PREMISES/ BUILDING	ANY OTHER LOCATION DECLARED AT INCEPTION	ANY OTHER LOCATION ACQUIRED AFTER INCEPTION	PREMISES NOT OWNED OR ACQUIRED LIMIT

ACORD 140 (2002/08) ATTACH TO APPLICANT INFORMATION SECTION © ACORD CORPORATION 1986

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THELE-1 CSR: MW

ADDITIONAL PREMISES INFORMATION

PREMISES #: STREET ADDRESS:

BUILDING #: BLDG DESCRIPTION:

SUBJECT OF INSURANCE	AMOUNT	COINS %	VALUATION	CAUSES OF LOSS	INFLATION GUARD %	DEDUCTIBLE	BLKT COV	FORMS AND CONDITIONS TO APPLY

ADDITIONAL INFORMATION | BUSINESS INCOME / EXTRA EXPENSE | BUSINESS INCOME W/O EXTRA EXPENSE | EXTRA EXPENSE

TYPE OF BUSINESS: NON MFG / MFG / MINING / ____ % COINS

ORDINARY PAYROLL: EXCL / INCL / 90 DAYS / 180 DAYS / $ ____

POWER/HEAT: $ ____ DED / ELEC MEDIA ____ DAYS / ORD OR LAW ____ DAYS

EXT PERIOD ____ DAYS / MO PERIOD ____ LIMIT / MAX PERIOD

TUITION FEES: $ ____ STUDENTS / $ ____ OTHER ED SERV/INC

OFF PREM POWER / DEPEND PROP: POWER / WATER / COMM (DESCR BELOW) / ____ % COIN / CONT LOC / REC LOC / MFG LOC / LDR LOC (DESC BELOW)

NAME AND ADDRESS(ES) FOR OFF PREM POWER OR DEPEND PROP

EXTRA EXPENSE ____ DAYS PERIOD REST

LIMIT LOSS PAY ____% ____% ____% ____%

ADDITIONAL COVERAGES, OPTIONS, RESTRICTIONS, ENDORSEMENTS AND RATING INFORMATION

CONSTRUCTION TYPE	DISTANCE TO HYDRANT FT	DISTANCE TO FIRE STAT MI	FIRE DISTRICT/CODE NUMBER	PROT CL	# STORIES	# BASM'TS	YR BUILT	TOTAL AREA

BUILDING IMPROVEMENTS: WIRING, YR: / PLUMBING, YR: / ROOFING, YR: / HEATING, YR. / OTHER:

BLDG CODE GRADE | TAX CODE | ROOF TYPE

WIND CLASS: RESISTIVE / SEMI-RESISTIVE / OTHER

OTHER OCCUPANCIES

HEATING BOILER ON PREMISES? YES / NO

IF YES, IS INSURANCE PLACED ELSEWHERE? YES / NO

RIGHT EXPOSURE & DISTANCE | LEFT EXPOSURE & DISTANCE | REAR EXPOSURE & DISTANCE

BURGLAR ALARM TYPE | CERTIFICATE # | EXPIRATION DATE | EXTENT | GRADE | CENTRAL STATION / WITH KEYS

BURGLAR ALARM INSTALLED AND SERVICED BY | # GUARDS/WATCHMEN | CLOCK HOURLY

PREMISES FIRE PROTECTION (Sprinklers, Standpipes, CO2/Chemical Systems) | % SPRNK | FIRE ALARM MANUFACTURER | CENTRAL STATION / LOCAL GONG

ADDITIONAL INTERESTS

RANK: | NAME AND ADDRESS: | REFERENCE #: | CERTIFICATE REQUIRED | INTEREST IN ITEM NUMBER

INTEREST: LOSS PAYEE / MORTGAGEE

LOCATION: | BUILDING:

SCHEDULED ITEM NUMBER:

OTHER:

ITEM DESCRIPTION:

REMARKS

Premise 001

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND [NY: SUBSTANTIAL] CIVIL PENALTIES. (Not applicable in CO, HI, NE, OH, OK, OR or VT; in DC, LA, ME, TN and VA, insurance benefits may also be denied)

ACORD 140 (2002/09)

Peoples_000338

SOUTH CAROLINA (STATE)

INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
S 1940117	04/17/2010	04/17/2011

YEAR	MAKE/MODEL	VEHICLE IDENTIFICATION NUMBER
1995	CHEV	1GBHG31K9SF121727

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC

690 SINGLETON RIDGE RD

CONWAY, SC 29526

SEE IMPORTANT NOTICE ON REVERSE SIDE

DETACH HERE

DETACH HERE

DETACH HERE

Peoples_000364

549



THIS CARD MUST BE KEPT IN THE INSURED

VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY 7 DAYS A WEEK AT 1-866-455-9969

THIS CARD IS PROVIDED TO ENABLE THE INSURED TO COMPLY WITH SECTION 56-10-225 OF SOUTH CAROLINA STATUTES.

THE FRONT OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

AUD-958 (8/83) ACORD 50

INSURED'S COPY

550

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DETACH HERE

SOUTH CAROLINA
(STATE)

INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER
S 1940117

EFFECTIVE DATE
04/17/2010

EXPIRATION DATE
04/17/2011

YEAR
1995

MAKE/MODEL
CHEV

VEHICLE IDENTIFICATION NUMBER
1GDHG31Y8SF522116

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC

690 SINGLETON RIDGE RD

CONWAY, SC 29526

SEE IMPORTANT NOTICE ON REVERSE SIDE

DETACH HERE

DETACH HERE

DETACH HERE

INSURED'S COPY

Peoples_000366

551

THIS CARD MUST BE KEPT IN THE INSURED

VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY 7 DAYS A WEEK AT 1-866-455-9969

THIS CARD IS PROVIDED TO ENABLE THE INSURED TO COMPLY WITH SECTION 56-10-225 OF SOUTH CAROLINA STATUTES.

THE FRONT OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

AUD-958 (8/93) ACORD 50

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SOUTH CAROLINA AUTOMOBILE SELECTION FORM — OFFER TO PURCHASE OPTIONAL UNINSURED & UNDERINSURED MOTORISTS COVERAGES

Automobile liability insurance coverage pays other motor vehicle drivers and their passengers whom you damage for the damages which you cause and for which you are legally responsible. There are two types of automobile liability insurance coverage, Bodily Injury — a coverage which pays people upon whom your motor vehicle inflicts bodily injury — and Property Damage — a coverage which pays people for damages your automobile causes to their motor vehicles or property.

In order to drive your automobile upon the roads of this State, you must have at least $75,000 combined single limit of liability insurance. However, you have the right to purchase additional limits of automobile liability insurance up to $1,000,000. You must, naturally pay an increased automobile insurance premium for these increased limits of protection.

In addition, this State's laws require that you must be offered, at your option, two additional automobile insurance coverages which will protect **you** in the event **you** are damaged in an automobile accident by an at-fault automobile driver who either has no automobile insurance or whose automobile insurance liability limits are less than the damages which you suffer in that accident. These coverages are legally termed "Uninsured Motorists Coverage" and "Underinsured Motorists Coverage." You may also see them referred to within your automobile insurance policy as "UM" and "UIM." You must, once again, pay an increased automobile insurance premium for each of these additional coverages.

South Carolina law requires that we offer you the following optional coverages. Please complete and sign this form which will be made part of your application for automobile insurance.

1008005 1940117351

A. UNINSURED MOTORISTS COVERAGE OPTION

Uninsured Motorists Coverage compensates you, or other persons insured under your automobile insurance policy, for amounts that you may be legally entitled to collect as damages from an owner or operator of an uninsured motor vehicle. An uninsured motor vehicle is a motor vehicle which either has no Liability Insurance Coverage or is operated by a hit-and-run driver.

South Carolina law requires that we automatically provide you with a basic limit of $75,000 for Uninsured Motorists Coverage. This Uninsured Motorists Coverage is subject to a $200 Deductible for property damage claims.

You have the option to purchase increased Uninsured Motorists Coverage at specific limits up to the limit of Liability Coverage provided by this policy.

☐ I want to purchase Uninsured Motorists Coverage at the basic limits of $75,000.

Amount of Premium _____ (Must be filled in by your Insurance Agent prior to your decision and signature)

☑ I want to purchase Additional Uninsured Motorists Coverage at the following amount which includes the basic limit of $75,000.

Limit of Coverage	**Amount of Premium** (Must be filled in by your Insurance Agent prior to your decision and signature)
☐ $ 100,000	
☐ $ 250,000	
☐ $ 300,000	
☐ $ 350,000	
☐ $ 500,000	
☑ $1,000,000	206.00

AUD-955 01 07
Page 1 of 3

INSURED'S COPY

Peoples 000343

Do you wish to purchase additional uninsured motorist coverage? Yes ✓ No ____

If your answer is "no," your must sign here: _____

If your answer is "yes," specify the limits you desire. These limits cannot exceed your automobile insurance liability limits.

✓ I select 1,000,000 single limit.

B. UNDERINSURED MOTORISTS COVERAGE

Underinsured Motorists Coverage compensates you, or other persons insured under your automobile insurance policy, including passengers within your motor vehicle, for amounts that you, or your passengers, may be legally entitled to collect as damages from an owner or operator of an at-fault underinsured motor vehicle. An underinsured motor vehicle is a motor vehicle that is covered by some form of liability insurance, but that Liability Insurance Coverage is not sufficient to fully compensate you for your damages.

Your automobile insurance policy does not automatically provide any Underinsured Motorists Coverage. You have, however, a right to buy Underinsured Motorists Coverage in limits up to the limits of liability coverage you will carry under your automobile policy.

☐ I want to purchase Underinsured Motorists Coverage at the basic limits of $75,000.

Amount of Premium _____ (Must be filled in by your Insurance Agent prior to your decision and signature)

☑ I want to purchase Underinsured Motorists Coverage at the following amount which includes the basic limit of $75,000.

Limit of Coverage	**Amount of Premium** (Must be filled in by your Insurance Agent prior to your decision and signature)
☐ $ 100,000	_____
☐ $ 250,000	_____
☐ $ 300,000	_____
☐ $ 350,000	_____
☐ $ 500,000	_____
☑ $1,000,000	INCLUDED

Do you wish to purchase additional underinsured motorist coverage? Yes ____ No ____

If your answer is "no," your must sign here: _____

If your answer is "yes," specify the limits you desire. These limits cannot exceed your automobile insurance liability limits.

✓ I select 1,000,000 single limit.

Please read this form carefully. If you have any questions, you should contact the State of South Carolina Department of Insurance. Its address and telephone number are:

State of South Carolina Department of Insurance
1201 Main Street, Suite 1000
Columbia, South Carolina 29201
(803) 737-6160

Your insurance agent **must** also answer any questions which you may have.

If you do not complete this Form and return it to us or to your insurance agent within 30 days from your receipt of this Form, the law requires that additional Uninsured Motorists Coverage and Underinsured Motorists Coverage, at the same limits as the automobile liability insurance which you purchase, must be automatically added on to your automobile insurance policy. You will be required to pay an additional premium for each of these two coverages. If you do not pay that additional premium, your automobile insurance policy may then be cancelled.

APPLICANT'S ACKNOWLEDGMENT

By my signature, I hereby acknowledge that I have read — or I have had read to me — the above explanations and offers of additional Uninsured Motorists Coverage and optional Underinsured Motorists Coverage. I understand that the above explanations of these coverages are intended only to be brief descriptions of additional Uninsured Motorists Coverage and optional Underinsured Motorists Coverage, and that payment of benefits under either of these coverages is subject to both the terms and conditions of my automobile insurance policy and the laws of the State of South Carolina.

My signature below further acknowledges that I understand the coverages as they have been explained to me, and the type and amounts of coverage marked on the preceding pages have been selected by me. This is the type and amount of insurance coverage I wish to purchase.

Type or print Insured's ~~name~~: FOUR J'S 4 AD, LLC DBA THE LEARNING STATION

Insured's Signature: Donna Jensen Today's Date 5-21-10

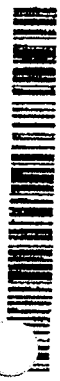
Insured's address: 690 SINGLETON RIDGE RD - CONWAY SC 29526

Name of Agent: MATT WISEMAN / PEOPLES UNDERWRITERS, INC.

Policy Number: 31940117

Agency Code: 08095

1000005 194117352



AUD-955 01 07
Page 3 of 3
Peoples_000345

INSURED'S COPY

SOUTH CAROLINA PHYSICAL DAMAGE DEDUCTIBLE OPTIONS

COVERAGE FOR DAMAGE TO YOUR AUTO

A. COLLISION

AUTO NUMBER
(as shown on policy)

1	2	3	4	
☐	☐	☐	☐	No, I do not wish to be covered for Collision Coverage.
☐	☐	☐	☐	Yes, with the basic $50 deductible.
☑	☑	☐	☐	Yes, deductibles available are $100, $250, $500 or $1,000. Write the deductible below the applicable auto number.
1000 ded.	1000 ded.	ded.	ded.	

For any additional autos, please indicate auto number and deductible amount desired.

Auto #	ded.	Auto #	ded.	Auto #	ded.	Auto #	ded.

B. OTHER THAN COLLISION (COMPREHENSIVE COVERAGE)

(You must also purchase Comprehensive Coverage if Collision is desired.)

AUTO NUMBER
(as shown on policy)

1	2	3	4	
☐	☐	☐	☐	No, I do not wish to be covered for Comprehensive Coverage.
☐	☐	☐	☐	Yes, with the basic $50 deductible.
☑	☑	☐	☐	Yes, deductibles available are $100, $250, $500 or $1,000. Write the deductible below the applicable auto number.
1000 ded.	1000 ded.	ded.	ded.	

For any additional autos, please indicate auto number and deductible amount desired.

Auto #	ded.	Auto #	ded.	Auto #	ded.	Auto #	ded.

You are eligible for a premium savings when you select higher deductible amounts for Collision and Other Than Collision coverage.

Your insurance agent will demonstrate the actual dollar savings on your policy for the selection of the higher deductible amounts.

Signature of Insured: Donna Jensen Date: 5-27-10

Name of Agent: PEOPLES UNDERWRITERS, INC. Agency Code: 08095

Name of Insured: FOUR J's of AD, LLC DBA THE LEARNING STATION

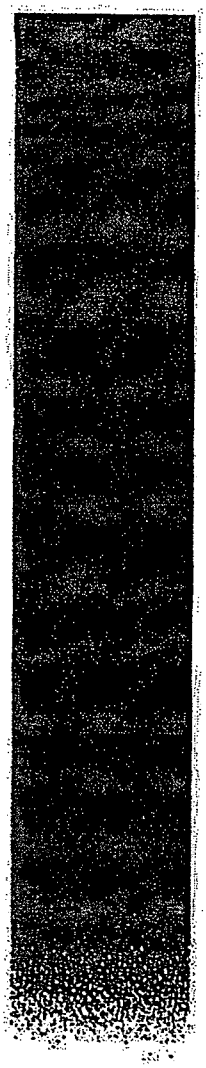
Policy #: S 194011 7

100005 1940117S73

AUD-956 (06/93)

INSURED'S COPY

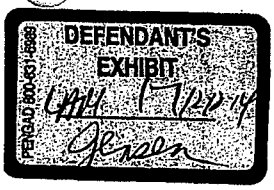
Peoples_000346





SELECTIVE®





Peoples_000681

Issued by The Stock Insurance Company

Policy Number
S 1940117

SELECTIVE INSURANCE COMPANY OF THE SOUTHEAST
3426 TORINGDON WAY, CHARLOTTE, NC 28277

COMMERCIAL POLICY COMMON DECLARATION

Named Insured and Address	Policy Period
FOUR JS & A D, LLC DBA THE LEARNING STATION 690 SINGLETON RIDGE RD CONWAY, SC 29526-9154	From: APRIL 17, 2011 To: APRIL 17, 2012 12:01 A.M. Standard Time At Location of Designated Premises.
Named Insured is: LTD LIABILITY	**Producer Number:** 00-08095-00000

Producer:

PEOPLES UNDERWRITERS INC
SOUTH CAROLINA

Social Services

Schedule of Coverage

COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
COMMERCIAL AUTOMOBILE COVERAGE
ABUSE & MOLESTATION
SOCIAL SERVICES

PREMIUM INCLUDES TERRORISM COVERAGE $100.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD
D/B - 10

Total Policy Premium $6,062.00
(This premium may be subject to adjustment.)

Date Issued: APRIL 4, 2011
Issuing Office: SOUTHERN REGION

Authorized Representative _____

IL-7025 (11/89)

INSURED'S COPY

Peoples_000682

Policy Number
S 1940117

SCHEDULE OF LOCATIONS

Policy Effective Date: APRIL 17, 2011	Schedule Effective Date: APRIL 17, 2011

Prem. No.	Location	Bldg. No.	Occupancy
1	690 SINGLETON RIDGE RD CONWAY, SC 29526	1	DAY CARE

4000EFS 1940117086

Policy Number
S 1940117

COMMERCIAL POLICY FORMS AND ENDORSEMENT SCHEDULE

Policy Effective Date: APRIL 17, 2011	Schedule Effective Date: APRIL 17, 2011

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMON COVERAGE PART:

IL 70 25	1189	COMMERCIAL POLICY COMMON DECLARATION
IL 70 36	0193	SCHEDULE OF LOCATIONS

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMERCIAL PROPERTY COVERAGE PART:

CP 70 26	1189	COMMERCIAL PROP DEC - MORTGAGEE
CP 00 10	0402	BUILDING & PERSONAL PROPERTY COVERAGE FM
CP 00 90	0788	COMMERCIAL PROPERTY CONDITIONS
CP 01 40	0706	EXCL OF LOSS DUE TO VIRUS OR BACTERIA
CP 10 30	0402	CAUSES OF LOSS-SPECIAL FORM
CP 10 32	0808	WATER EXCLUSION ENDORSEMENT
CP 75 51	0406	SYSTEMS POWER PAC
CP 75 72	0702	BI COVG FRM ACTUAL LOSS SUSTAINED-12 MO.
CP 75 82	0310	ELITEPAC PROPERTY EXT SOCIAL SERVICES
CP 75 90	0301	SC WINDSTORM OR HAIL PERCENTAGE DED
CP 76 09	0109	SYSTEMS PWR PAC ANIMALS AMENDATORY END
CP 80 11	0406	SYSTEMS POWER PAC MULTIPLE DED. FORM
IL 00 03	0908	CALCULATION OF PREMIUM
IL 00 17	1198	COMMON POLICY CONDITIONS
IL 01 94	0702	SC CHANGES-LEGAL ACTION AGAINST US
IL 02 49	0908	SOUTH CAROLINA CHANGES-CANC & NONRENL
IL 04 15A	0498	PROTECTIVE SAFEGUARDS
IL 09 52	0308	CAP ON LOSS FROM CERT ACTS OF TERRORISM
IL 89 53	1198	EXCL OF CERTAIN COMPUTER-RELATED LOSSES
IL 89 56	0899	ASBESTOS EXCLUSION

4000DFS 1940117087

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART:

CG 70 35	0690	COMMERCIAL LIABILITY COVG DECLARATION
CG 00 01	1207	CGL COV FORM (OCCURRENCE)
CG 21 47	1207	EMPLOYMENT-RELATED PRACTICES EXCL
CG 21 57	0798	EXCLUSION COUNSELING SERVICES
CG 21 62	0998	EXCL-Y2K COMPUTER-RELATED W/EX PREMISES
CG 21 67	1204	FUNGI OR BACTERIA EXCLUSION
CG 21 70	0108	CAP ON LOSSES FROM CERT ACTS OF TERROR
CG 22 40	0196	EXCL-MED PAY TO CHILDREN (DAY CARE CTRS)
CG 22 67	1093	CORPORAL PUNISHMENT
CG 25 03A	0397	DESIGNATED CONST PROJECT(S) AGG LIMIT
CG 25 04A	0397	DESIGNATED LOCATION(S) GENERAL AGG LIMIT
CG 72 17	0109	ELITEPAC GEN LIAB EXT SOCIAL SERVICES
CG 80 29	0610	ABUSE OR MOLESTATION LIAB COV EXCL
IL 00 03	0908	CALCULATION OF PREMIUM
IL 00 17	1198	COMMON POLICY CONDITIONS
IL 00 21	0908	NUCLEAR ENERGY LIABILITY EXCLUSION
IL 02 49	0908	SOUTH CAROLINA CHANGES-CANC & NONRENL
IL 89 48	0100	EXCLUSION - LEAD HAZARD
IL 89 56	0899	ASBESTOS EXCLUSION

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE BUSINESS AUTOMOBILE COVERAGE PART:

CA 70 57	0292	BUSINESS AUTO COVERAGE DECLARATION
CA 70 58	0292	BUSINESS AUTO COVERAGE DECLARATION PAGE2
CA 00 01	0306	BUSINESS AUTO POLICY

NOTICE TO POLICYHOLDER: All the forms and endorsements contained in this policy as of the "Schedule Effective Date" are listed above. Forms and endorsements added to the policy after this date will appear on a "Policy Changes" endorsement. Please read your policy and all "Policy Changes" carefully.

NOTE: All applicable "IL" endorsements will be attached in the Common Section of the policy.

IL-7035 (08/93)

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Peoples_000684

Policy Number
S 1940117

COMMERCIAL POLICY FORMS AND ENDORSEMENT SCHEDULE

Policy Effective Date: APRIL 17, 2011	Schedule Effective Date: APRIL 17, 2011

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE BUSINESS AUTOMOBILE COVERAGE PART:

CA 01 50	0306	SC CHANGES
CA 02 30	0410	SC CHANGES-CANC
CA 20 18	1293	PROFESSIONAL SERVICES NOT COVERED
CA 20 54	1001	EMPLOYEE HIRED AUTOS
CA 21 19	0306	SC UM COVERAGE
CA 21 88	0306	SC UNDERINSURED MOTORISTS COV
CA 24 02	1293	PUBLIC TRANSPORTATION AUTOS
CA 77 60	0210	ELITEPAC COMML AUTO EXT SOCIAL SERVICES
CA 77 74	0706	LIMITED MOBILE EQUIPMENT COVERAGE
CA 80 23	0610	ABUSE OR MOLESTATION LIAB COV EXCL
CA 99 03	0306	AUTO MEDICAL PAYMENTS COVERAGE
IL 00 03	0908	CALCULATION OF PREMIUM
IL 00 17	1198	COMMON POLICY CONDITIONS
IL 00 21	0908	NUCLEAR ENERGY LIABILITY EXCLUSION
IL 89 56	0899	ASBESTOS EXCLUSION

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE ABUSE AND MOLESTATION COVERAGE PART:

AM 00 07	0610	ABUSE OR MOLESTATION OCCUR LIAB COV DEC
AM 00 01	0610	ABUSE OR MOLESTATION LIAB COV PART
AM 00 02	0610	INNOCENT EMPLOYEE VOLUNTEER
AM 00 27	0610	SC CHANGES CANC & NONRENEWAL
AM 00 31	0610	CAP ON LOSSES FROM CERT ACTS OF TRSM
IL 00 17	1198	COMMON POLICY CONDITIONS

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMERCIAL SOCIAL SERVICE COVERAGE PART:

SS 00 01	0107	PROFESSIONAL LIABILITY DEC
PL 02 49	1298	SC CHOS-CANCELLATION & NONRENEWAL
SS 00 09	0199	SOCIAL SERVICE ORGINIZATION PROF LIAB
SS 00 10	0199	SOCIAL SERVICE ORG PROF LIAB COVERAGE
SS 00 24	0702	FUNGI OR BACTERIA EXCLUSION
SS 00 39A	0106	AMEND-SOCIAL SERVICE ORG PROF LIAB
SS 00 47	0310	AMENDMENT-SS PROF LIAB COVERAGE FORM
SS 00 49	0610	ABUSE OR MOLESTATION LIAB COV EXCL
SS 21 62	0199	EXCLUSION YEAR 2000-COMPUTER RELATED

NOTICE TO POLICYHOLDER: All the forms and endorsements contained in this policy as of the "Schedule Effective Date" are listed above. Forms and endorsements added to the policy after this date will appear on a "Policy Changes" endorsement. Please read your policy and all "Policy Changes" carefully.

NOTE: All applicable "IL" endorsements will be attached in the Common Section of the policy.

IL-7035 (08/93)

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PROTECTIVE SAFEGUARDS

POLICY NUMBER: S 1940117 IL 04 15 04 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

SCHEDULE*

Prem. No.	Bldg. No.	Protective Safeguards Symbols Applicable
1	1	P-2,P-9

Describe any "P-9":

1	1	CENTRAL STATION BURGLAR ALARM

40000FS 1940117083

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

A. The following is added to the:

Commercial Property Conditions

General Conditions in the Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions

General Conditions in the Mobile Agricultural Machinery and Equipment Coverage Form

General Conditions in the Livestock Coverage Form

PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the Schedule above.

2. The protective safeguards to which this endorsement applies are identified by the following symbols:

"P-1" Automatic Sprinkler System, including related supervisory services.

Automatic Sprinkler System means:

a. Any automatic fire protective or extinguishing system, including connected:

(1) Sprinklers and discharge nozzles;

(2) Ducts, pipes, valves and fittings;

(3) Tanks, their component parts and supports; and

(4) Pumps and private fire protection mains.

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b. When supplied from an automatic fire protective system:

(1) Non-automatic fire protective systems; and

(2) Hydrants, standpipes and outlets.

"P-2" **Automatic Fire Alarm,** protecting the entire building, that is:

a. Connected to a central station; or

b. Reporting to a public or private fire alarm station.

"P-3" **Security Service,** with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

"P-4" **Service Contract,** with a privately owned fire department providing fire protection service to the described premises.

"P-9" The protective system described in the Schedule.

B. The following is added to the EXCLUSIONS section of:

CAUSES OF LOSS — BASIC FORM
CAUSES OF LOSS — BROAD FORM
CAUSES OF LOSS — SPECIAL FORM
MORTGAGE HOLDERS' ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY
CAUSES OF LOSS FORM — FARM PROPERTY
MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
LIVESTOCK COVERAGE FORM

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

1. Knew of any suspension or impairment in any protective safeguard listed in the Schedule above and failed to notify us of that fact; or

2. Failed to maintain any protective safeguard listed in the Schedule above, and over which you had control, in complete working order.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

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CALCULATION OF PREMIUM

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

The following is added:

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

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COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(Broad Form)

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

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

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

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

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

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

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

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

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

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

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

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

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

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SOUTH CAROLINA CHANGES — LEGAL ACTION AGAINST US

IL 01 94 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART — FARM LIVESTOCK COVERAGE FORM
FARM COVERAGE PART — FARM MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
FARM COVERAGE PART — FARM PROPERTY — OTHER FARM PROVISIONS FORM — ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
STANDARD PROPERTY POLICY

A. The **Legal Action Against Us** Condition, in the Commercial Property Conditions, the Standard Property Policy, the Capital Assets Program Coverage Form (Output Policy), and in the Farm Forms listed above, is replaced by the following:

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part, Coverage Form or Policy to which this Condition applies unless:

1. There has been full compliance with all of the terms of this Coverage Part, Coverage Form or Policy; and
2. The action is brought within 3 years after the date on which the direct physical loss ("loss") or damage occurred.

B. Under the Commercial Property Coverage Part, Paragraph a. of the **Legal Action Against Us** Condition in the Mortgageholders Errors And Omissions Coverage Form is replaced by the following:

a. No one may bring a legal action against us under Coverages **A** and **B** unless:

(1) There has been full compliance with all of the terms of Coverages **A** and **B**; and

(2) The action is brought within 3 years after you discover the error or accidental omission.

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SOUTH CAROLINA CHANGES — CANCELLATION AND NONRENEWAL

IL 02 49 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

A. Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

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

7. **Cancellation Of Policies In Effect For 120 Days Or More**

   If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:
   a. Nonpayment of premium;
   b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
   c. Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;
   d. Substantial breaches of contractual duties, conditions or warranties; or
   e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

   Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

   Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this policy, we will:
   a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
      (1) The expiration date of this policy, if the policy is written for a term of one year or less; or
      (2) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and

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b. Provide at least:

(1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or

(2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Any notice of nonrenewal will state the precise reason for nonrenewal.

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CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

IL 09 52 03 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

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

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EXCLUSION — LEAD HAZARD

THIS EXCLUSION CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
GARAGE COVERAGE PART
GARAGE POLICY (VIRGINIA ONLY)
OWNERS and CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE and HIGHWAY LIABILITY POLICY - NEW YORK DEPARTMENT OF TRANSPORTATION

This insurance does not apply to:

a. "Bodily injury" arising out of the ingestion, inhalation or absorption of lead in any form;

b. "Property damage" or "personal and advertising injury" arising from the presence of lead in any form; or

c. Any loss, cost or expense arising out of any orders by, or on behalf of, any governmental authority to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize lead in any form;

at or from any premises, sites or locations which are, or were at any time, owned by, rented to, loaned to, or used by any Insured, or arising from operations by any insured.

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EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

IL 89 53 11 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SYSTEMS BREAKDOWN COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

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

1. The failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

(1) Computer hardware, including microprocessors;

(2) Computer application software;

(3) Computer operating systems and related software;

(4) Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.

B. If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:

1. In a Covered Cause of Loss under the Equipment Breakdown Coverage Part, the Commercial Crime Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy;

2. In an "accident" under the Systems Breakdown Coverage Part or the Systems Power Pac Endorsement; or

3. Under the Commercial Property Coverage Part:

a. In a "Specified Cause of Loss," or in elevator collision resulting from mechanical breakdown, under the Causes of Loss — Special Form; or

b. In a Covered Cause of Loss under the Causes of Loss — Basic Form or the Causes of Loss — Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss," elevator collision, "accident", or Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

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ASBESTOS EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART
BUSINESSOWNERS COVERAGE PART
CAUSES OF LOSS — BASIC FORM
CAUSES OF LOSS — BROAD FORM
CAUSES OF LOSS — SPECIAL FORM
COMMERCIAL GENERAL LIABILITY COVERAGE PART
GARAGE COVERAGE PART
MOTOR CARRIER COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCT/COMPLETED OPERATIONS LIABILITY COVERAGE PART
TRUCKERS COVERAGE PART

1. It is agreed that this insurance does not apply to any loss or damage relating to the actual, alleged, or threatened presence of, or exposure to, "asbestos," including inhalation, ingestion, irritation, absorption or other similar physical exposure to "asbestos." Such presence of, or exposure to, "asbestos" includes, but is not limited to:

   a. structures or manufacturing processes containing "asbestos";

   b. the disposal of "asbestos" or goods, products or materials containing "asbestos";

   c. the storing or presence of "asbestos" or goods, products or materials containing "asbestos"; or

   d. the removal of "asbestos" from any goods, products, materials, structures or manufacturing processes,

   whether or not such "asbestos" is airborne.

2. We shall have no obligation under this coverage part:

   a. to investigate, settle or defend any claim or "suit" against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the presence of, or exposure to, "asbestos"; or

   b. to pay any damages, judgments, settlements, losses, costs or expenses of any kind or nature that may be awarded or incurred by reason of any such claim or suit or any such actual or threatened injury or damage from "asbestos"; or

   c. for any losses, costs or expenses arising out of any obligation, order, direction or request of or upon any Insured or others, including, but not limited to, any governmental obligation, order, direction or request, to test for, monitor, clean up, remove, contain, treat, neutralize, in any way respond to, or assess the effects of "asbestos."

3. "Asbestos" includes asbestos, asbestos fibers, asbestos materials, and asbestos products, or any goods or products containing asbestos or asbestos fibers, materials, or products.

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Previous Policy Number	Policy Number
S 1940117	S 1940117

COMMERCIAL PROPERTY COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Insurance is provided only for those coverages for which a specific limit is shown in the following coverage schedule

Coverage Schedule

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance	Deductible	Valuation Option
1	1	BUSN PERS PROP	$104,000	SPECIAL	80%	$1,000	REPL. COST

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR NAMED STORM OR WIND/HAIL LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU. THE ENCLOSED EXAMPLE ILLUSTRATES HOW THE DEDUCTIBLE MIGHT EFFECT YOU.

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Business Income

Prem. No.	Bldg. No.	Limit of Insurance	Coinsurance	Monthly Limit of Indemnity	Maximum Period of Indemnity	Extended Period of Indemnity

Extra Expense

Prem. No.	Bldg. No.	Limit	Monthly Limitation	Prem. No.	Bldg. No.	Limit	Monthly Limitation

Mortgage Holders

Prem. No.	Bldg. No.(s)	Mortgage Holder Name and Address

Forms and Endorsements:		Premium Amount
Refer to "Commercial Policy Forms and Endorsement Schedule"	COINSURANCE CLAUSE	$550.00 (This premium may be subject to adjustment.)

CP-7026 (11/89)

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SOUTH CAROLINA
WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

POLICY NUMBER: S 1940117 COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE*

Premises No.	Bldg. No.	Windstorm or Hail Deductible Percentage (enter 1%, 2%, 3%, 4% or 5%)
1	1	3%

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THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR WIND/HAIL LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU. THE ENCLOSED EXAMPLE ILLUSTRATES HOW THE DEDUCTIBLE MIGHT AFFECT YOU.

The Windstorm or Hail Deductible, as shown in the Schedule, applies to loss or damage to Covered Property caused directly or indirectly by Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. If loss or damage from a covered weather condition other than Windstorm or Hail occurs, and that loss or damage would not have occurred but for the Windstorm or Hail, such loss or damage shall be considered to be caused by Windstorm or Hail and therefore part of the Windstorm or Hail occurrence.

With respect to Covered Property at a location identified in the Schedule, no other deductible applies to Windstorm or Hail.

The Windstorm or Hail Deductible applies whenever there is an occurrence of Windstorm or Hail.

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) of Insurance are shown in the Declarations.

WINDSTORM OR HAIL DEDUCTIBLE CLAUSE

A. All Policies

1. A Deductible is calculated separately for, and applies separately to:
   a. Each building, if two or more buildings sustain loss or damage;
   b. The building and to personal property in that building, if both sustain loss or damage;
   c. Personal property at each building, if personal property at two or more buildings sustains loss or damage;
   d. Personal property in the open.

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

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2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage, Additional Condition - Need for Adequate Insurance or Additional Condition - Need for Full Reports.

3. When property is covered under the Coverage Extension for Newly Acquired or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at time of loss. The applicable percentage for Newly Acquired or Constructed Property is the highest percentage shown in the Schedule for any described premises.

B. Calculation Of The Deductible — Specific Insurance Other Than Builders Risk

1. Property Not Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

C. Calculation Of The Deductible — Blanket Insurance Other Than Builders Risk

1. Property Not Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are those shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible — Builders Risk Insurance

1. Builders Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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EXAMPLES — APPLICATION OF DEDUCTIBLE:

Example #1 — Specific Insurance (B.1.)

The amount of loss to the damaged building is $60,000.

The value of the damaged building at time of loss is $140,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the coinsurance requirement is $112,000 (80% of $140,000).

The **actual** Limit of Insurance on the damaged building is $100,000.

The Deductible is 1%.

Step (1): $100,000 ÷ $112,000 = .893

Step (2): $60,000 X .893 = $53,580

Step (3): $100,000 X 1 % = $1,000

Step (4): $53,580 - $1,000 = $52,580

The most we will pay is $52,580. The remainder of the loss, $7,420, is not covered due to the Coinsurance penalty for inadequate insurance (steps (1) and (2)) and the application of the Deductible (steps (3) and (4)).

Example #2 — Specific Insurance (B.1.)

The amounts of loss to the damaged property are $60,000 (building) and $40,000 (business personal property in building).

The value of the damaged building at time of loss is $125,000. The value of the business personal property in that building is $80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the coinsurance requirement are $100,000 (80% of $125,000) for the building and $64,000 (80% of $80,000) for the business personal property.

The **actual** Limits of Insurance on the damaged property are $100,000 on the building and $64,000 on the business personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

Building

Step (1): $100,000 X 2% = $2,000

Step (2): $60,000 - $2,000 = $58,000

Business Personal Property

Step (1): $64,000 X 2% = $1,280

Step (2): $40,000 - $1,280 = $38,720

The most we will pay is $96,720. That portion of the total loss not covered due to application of the Deductible is $3,280.

Example #3 — Blanket Insurance (C.1.)

The sum of the values of Building #1 ($500,000), Building #2 ($500,000) and Building #3 ($1,000,000), as shown in the most recent Statement of Values on file with us, is $2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is $1,800,000 (90% of $2,000,000).

The **actual** Blanket Limit of Insurance covering Buildings #1, #2, and #3, shown in the Declarations, is $1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of loss to these buildings are $40,000 (Building #1) and $20,000 (Building #2).

The Deductible is 2%.

Building #1

Step (1): $500,000 X 2% = $10,000

Step (2): $40,000 - $10,000 = $30,000

Building #2

Step (1): $500,000 X 2% = $10,000

Step (2): $20,000 - $10,000 = $10,000

The most we will pay is $40,000. That portion of the total loss not covered due to application of the Deductible is $20,000.

Example #4 — Blanket Insurance (C.1.)

The sum of the values of Building #1 ($500,000), Building #2 ($500,000), Business Personal Property at Building #1 ($250,000) and Business Personal Property at Building #2 ($250,000), as shown in the most recent Statement of Values on file with us, is $1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is $1,350,000 (90% of $1,500,000).

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The **actual** Blanket Limit of Insurance covering Buildings #1 and #2 and Business Personal Property at Buildings #1 and #2, shown in the Declarations, is $1,350,000. Therefore there is no Coinsurance penalty.

Building #1 and Business Personal Property at Building #1 have sustained damage; the amounts of loss are $95,000 (Building) and $5,000 (Business Personal Property) .

The Deductible is 5%.

Building

Step (1): $500,000 X 5% = $25,000

Step (2): $95,000 - $25,000 = $70,000

Business Personal Property

Step (1): $250,000 X 5% = $12,500

The loss, $5,000, does not exceed the deductible.

The most we will pay is $70,000. The remainder of the building loss, $25,000, is not covered due to application of the Deductible. There is no loss payment for the business personal property.

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SYSTEMS POWER PAC
ANIMALS AMENDATORY ENDORSEMENT

POLICY NUMBER:

COMMERCIAL PROPERTY
CP 76 09 01 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SYSTEMS POWER PAC

Exclusion B.6. is deleted and replaced with the following:

6. We will not pay under this endorsement for any loss or damage to:

   a. Animals, except as provided under **A.2. ADDITIONAL COVERAGE — EQUIPMENT BREAKDOWN, f. Animals**; or

   b. Land (including land on which the property is located) and lawns.

The following is added to **A.2. ADDITIONAL COVERAGE — EQUIPMENT BREAKDOWN:**

f. Animals

We will pay for the loss of or damage to animals owned by others and boarded by you, or if owned by you, only as "stock" while inside of the building, and then only if they are killed or their destruction is made necessary.

The most we will pay for loss under this coverage is $250,000 unless otherwise shown below or in a Schedule.

Animal Limit:

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SYSTEMS POWER PAC DEDUCTIBLE

POLICY NUMBER: S 1940117

COMMERCIAL PROPERTY
CP 80 11 04 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SYSTEMS POWER PAC

The following is added to Systems Power Pac:

SCHEDULE

The Deductibles applicable to any one "accident" are shown below:

Prem. No.	Bldg. No.	Deductible(s)

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Unless otherwise shown in the Schedule above, the deductible(s) will be:
COMBINED COVG FOLLOWS PROPERTY DEDUCTIBLE

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

COMMERCIAL PROPERTY
CP 00 10 04 02

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

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

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

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this Section, **A.1.**, and limited in **A.2.**, Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. **Building,** meaning the building or structure described in the Declarations, including:

(1) Completed additions;

(2) Fixtures, including outdoor fixtures;

(3) Permanently installed:

(a) Machinery and

(b) Equipment;

(4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

(a) Fire extinguishing equipment;

(b) Outdoor furniture;

(c) Floor coverings; and

(d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure;

(b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property — Separation of Coverage form:

(1) Furniture and fixtures;

(2) Machinery and equipment;

(3) "Stock";

(4) All other personal property owned by you and used in your business;

(5) Labor, materials or services furnished or arranged by you on personal property of others;

(6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

(a) Made a part of the building or structure you occupy but do not own; and

(b) You acquired or made at your expense but cannot legally remove;

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(7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.

c. **Personal Property Of Others** that is:

(1) In your care, custody or control; and

(2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. **Property Not Covered**

Covered Property does not include:

a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;

c. Automobiles held for sale;

d. Bridges, roadways, walks, patios or other paved surfaces;

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

f. The cost of excavations, grading, backfilling or filling;

g. Foundations of buildings, structures, machinery or boilers if their foundations are below:

(1) The lowest basement floor; or

(2) The surface of the ground, if there is no basement;

h. Land (including land on which the property is located), water, growing crops or lawns;

i. Personal property while airborne or waterborne;

j. Bulkheads, pilings, piers, wharves or docks;

k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

l. Retaining walls that are not part of a building;

m. Underground pipes, flues or drains;

n. Electronic data, except as provided under Additional Coverages — Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This Paragraph n., does not apply to your "stock" of prepackaged software.

o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data.

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p. Vehicles or self-propelled machines (including aircraft or watercraft) that:

(1) Are licensed for use on public roads; or

(2) Are operated principally away from the described premises.

This paragraph does not apply to:

(a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

(b) Vehicles or self-propelled machines, other than autos, you hold for sale;

(c) Rowboats or canoes out of water at the described premises; or

(d) Trailers, but only to the extent provided for in the Coverage Extension for Non-Owned Detached Trailers.

q. The following property while outside of buildings:

(1) Grain, hay, straw or other crops;

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. **Covered Causes Of Loss**

See applicable Causes of Loss Form as shown in the Declarations.

4. **Additional Coverages**

a. **Debris Removal**

(1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

(a) Extract "pollutants" from land or water; or

(b) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4), the following provisions apply:

(a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

(b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

(4) We will pay up to an additional $10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus $10,000.

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(5) Examples

The following examples assume that there is no coinsurance penalty.

Example #1

Limit of Insurance	$	90,000
Amount of Deductible	$	500
Amount of Loss	$	50,000
Amount of Loss Payable	$	49,500
	($50,000 - $500)	
Debris Removal Expense	$	10,000
Debris Removal Expense Payable	$	10,000
($10,000 is 20% of $50,000)		

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense ($49,500 + $10,000 = $59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example #2

Limit of Insurance	$	90,000
Amount of Deductible	$	500
Amount of Loss	$	80,000
Amount of Loss Payable	$	79,500
	($80,000 - $500)	
Debris Removal Expense	$	30,000
Debris Removal Expense Payable		
Basic Amount	$	10,500
Additional Amount	$	10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: $80,000 ($79,500 + $500) x .25 = $20,000; capped at $10,500. The cap applies because the sum of the loss payable ($79,500) and the basic amount payable for debris removal expense ($10,500) cannot exceed the Limit of Insurance ($90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense ($30,000) exceeds 25% of the loss payable plus the deductible ($30,000 is 37.5% of $80,000), and because the sum of the loss payable and debris removal expense ($79,500 + $30,000 = $109,500) would exceed the Limit of Insurance ($90,000). The additional amount of covered debris removal expense is $10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is $20,500; $9,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to $1,000 for your liability for fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

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d. Pollutant Clean Up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

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

The most we will pay under this Additional Coverage for each described premises is $10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

e. Increased Cost Of Construction

(1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

(2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.

(3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

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

(b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

(a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

(6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is $10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of: $10,000 or 5% times the value of the damaged building as of the time of loss times the applicable coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

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(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

(i) Until the property is actually repaired or replaced, at the same or another premises; and

(ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

f. **Electronic Data**

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered — Electronic Data.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage — Electronic Data, subject to the following:

(a) If the Causes Of Loss — Special Form applies, coverage under this Additional Coverage — Electronic Data is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(b) If the Causes Of Loss — Broad Form applies, coverage under this Additional Coverage — Electronic Data includes Collapse as set forth in that form.

(c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage — Electronic Data.

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(d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

(4) The most we will pay under this Additional Coverage — Electronic Data is $2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at locations, other than the described premises, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is $250,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

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The most we will pay for loss or damage under this Extension is $100,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) **Period Of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. **Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

(1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This extension does not apply to loss or damage by theft.

(2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is $2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. **Valuable Papers And Records (Other Than Electronic Data)**

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered — Electronic Data.

(2) If the Causes Of Loss — Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(3) If the Causes Of Loss — Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

(4) Under this Extension, the most we will pay to replace or restore the lost information is $2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

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d. Property Off-Premises

(1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

(a) Temporarily at a location you do not own, lease or operate;

(b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

(c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property:

(a) In or on a vehicle; or

(b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is $10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion; or

(5) Aircraft.

The most we will pay for loss or damage under this Extension is $1,000, but not more than $250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-Owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

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B. Exclusions And Limitations

See applicable Causes of Loss Form as shown in the Declarations.

C. Limits Of Insurance

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

The most we will pay for loss or damage to outdoor signs attached to buildings is $1,000 per sign in any one occurrence.

The limits applicable to the Fire Department Service Charge and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance.

Payments under the Preservation of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example No. 1:

(This example assumes there is no coinsurance penalty.)

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

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

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

$ 60,100
- 250
$ 59,850 Loss Payable — Bldg. 1

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

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

Example No. 2:

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

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

Loss to Bldg. 1:	$	70,000
(exceeds Limit of Insurance plus Deductible)		
Loss to Bldg. 2:	$	90,000
(exceeds Limit of Insurance plus Deductible)		
Loss Payable — Bldg. 1:		$60,000
(Limit of Insurance)		
Loss Payable — Bldg. 2:		$80,000
(Limit of Insurance)		
Total amount of loss payable:		$140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Abandonment

There can be no abandonment of any property to us.

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2. **Appraisal**

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

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

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

3. **Duties In The Event Of Loss Or Damage**

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

(1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

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

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

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

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. **Loss Payment**

a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

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We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

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

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

e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

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

g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

5. Recovered Property

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

6. Vacancy

a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

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(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. **Valuation**

We will determine the value of Covered Property in the event of loss or damage as follows:

a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is $2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at the actual cash value even when attached to the building:

(1) Awnings or floor coverings;

(2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) Outdoor equipment or furniture.

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

d. Glass at the cost of replacement with safety glazing material if required by law.

e. Tenant's Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

F. **Additional Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. **Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

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

(1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

(2) Divide the Limit of Insurance of the property by the figure determined in Step (1);

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(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and

(4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example No. 1 (Underinsurance):

When:	The value of the property is	$	250,000
	The Coinsurance percentage for it is		80%
	The Limit of Insurance for it is	$	100,000
	The Deductible is	$	250
	The amount of loss is	$	40,000
Step (1):	$250,000 x 80% = $200,000		
	(the minimum amount of insurance to meet your Coinsurance requirements)		
Step (2):	$100,000 ÷ $200,000 = .50		
Step (3):	$40,000 x .50 = $20,000		
Step (4):	$20,000 - $250 = $19,750		

We will pay no more than $19,750. The remaining $20,250 is not covered.

Example No. 2 (Adequate Insurance):

When:	The value of the property is	$	250,000
	The Coinsurance percentage for it is		80%
	The Limit of Insurance for it is	$	200,000
	The Deductible is	$	250
	The amount of loss is	$	40,000

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 x 80%). Therefore, the Limit of Insurance in this Example is adequate and no penalty applies. We will pay no more than $39,750 ($40,000 amount of loss minus the deductible of $250).

b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example No. 3:

When:	The value of property is:		
	Bldg. at Location No. 1	$	75,000
	Bldg. at Location No. 2	$	100,000
	Personal Property at Location No. 2	$	75,000
		$	250,000
	The Coinsurance percentage for it is		90%
	The Limit of Insurance for Buildings and Personal Property at Location Nos. 1 and 2 is	$	180,000
	The Deductible is	$	1,000
	The amount of loss is:		
	Bldg. at Location No. 2	$	30,000
	Personal Property at Location No. 2.	$	20,000
		$	50,000
Step (1):	$250,000 x 90% = $225,000		
	(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)		
Step (2):	$180,000 ÷ $225,000 = .80		
Step (3):	$50,000 x .80 = $40,000		
Step (4):	$40,000 - $1,000 = $39,000		

We will pay no more than $39,000. The remaining $11,000 is not covered.

2. Mortgageholders

a. The term mortgageholder includes trustee.

b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

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d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

(1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

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

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

(1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

f. If we cancel this policy, we will give written notice to the mortgageholder at least:

(1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

(1) On or after the effective date of this Optional Coverage; and

(2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

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(2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	$ 100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the policy year (or last policy change) is	146
	The amount of increase is $100,000 x .08 x 146 ÷ 365 =	$ 3,200

3. **Replacement Cost**

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Personal property of others;

(2) Contents of a residence;

(3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

(1) Until the lost or damaged property is actually repaired or replaced; and

(2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:

(1) The Limit of Insurance applicable to the lost or damaged property;

(2) The cost to replace the lost or damaged property with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

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(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

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COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

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

B. CONTROL OF PROPERTY

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

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

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

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
   a. During the policy period shown in the Declarations; and
   b. Within the coverage territory.
2. The coverage territory is:
   a. The United States of America (including its territories and possessions);
   b. Puerto Rico; and
   c. Canada.

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I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

1. Prior to a loss to your Covered Property or Covered Income.

2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

   a. Someone insured by this insurance;

   b. A business firm:

      (1) Owned or controlled by you; or

      (2) That owns or controls you; or

   c. Your tenant.

This will not restrict your insurance.

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EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

COMMERCIAL PROPERTY
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

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

B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

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

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

D. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
2. Additional Coverage — Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

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

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CAUSES OF LOSS — SPECIAL FORM

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

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations,

that follow.

B. Exclusions

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

a. Ordinance Or Law

The enforcement of any ordinance or law:

(1) Regulating the construction, use or repair of any property; or

(2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

(1) An ordinance or law that is enforced even if the property has not been damaged; or

(2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

(1) Earthquake, including any earth sinking, rising or shifting related to such event;

(2) Landslide, including any earth sinking, rising or shifting related to such event;

(3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

(4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

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

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

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

(a) Airborne volcanic blast or airborne shock waves;

(b) Ash, dust or particulate matter; or

(c) Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

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c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in Paragraph **B.4.a.(1)** applies to these coverages.

f. War And Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

(1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

(2) Mudslide or mudflow;

(3) Water that backs up or overflows from a sewer, drain or sump; or

(4) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

But if Water, as described in **g.(1)** through **g.(4)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage — Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

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

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

   a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

      But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

   b. Delay, loss of use or loss of market.

   c. Smoke, vapor or gas from agricultural smudging or industrial operations.

   d. (1) Wear and tear;

      (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

      (3) Smog;

      (4) Settling, cracking, shrinking or expansion;

      (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

      (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

      (7) The following causes of loss to personal property:

         (a) Dampness or dryness of atmosphere;

         (b) Changes in or extremes of temperature; or

         (c) Marring or scratching.

      But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

   e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

   f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

   g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

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

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

   h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

      (1) Acting alone or in collusion with others; or

      (2) Whether or not occurring during the hours of employment.

      This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered

   i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

   j. Rain, snow, ice or sleet to personal property in the open.

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k. Collapse, except as provided below in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.

m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property on or off the described premises.

4. **Special Exclusions**

The following provisions apply only to the specified Coverage Forms.

a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form**

We will not pay for:

(1) Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs outside of a covered building. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss resulting from that Covered Cause of Loss.

(2) Any loss caused by or resulting from:

(a) Damage or destruction of "finished stock"; or

(b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(3) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

(4) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

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(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(5) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(6) Any other consequential loss.

b. Leasehold Interest Coverage Form

(1) Paragraph **B.1.a.** Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

c. Legal Liability Coverage Form

(1) The following exclusions do not apply to insurance under this Coverage Form:

(a) Paragraph **B.1.a.**, Ordinance Or Law;

(b) Paragraph **B.1.c.**, Governmental Action;

(c) Paragraph **B.1.d.**, Nuclear Hazard;

(d) Paragraph **B.1.e.**, Utility Services; and

(e) Paragraph **B.1.f.**, War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

   a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

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b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

(1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

(2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

(1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or

(2) Business Income coverage or Extra Expense coverage.

e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

a. Animals, and then only if they are killed or their destruction is made necessary.

b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

(1) Glass; or

(2) Containers of property held for sale.

c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

(1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income coverage or to Extra Expense coverage.

3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:

a. $2,500 for furs, fur garments and garments trimmed with fur.

b. $2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.

c. $2,500 for patterns, dies, molds and forms.

d. $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income coverage or to Extra Expense coverage.

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4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

   a. Results in discharge of any substance from an automatic fire protection system; or

   b. Is directly caused by freezing.

   However, this limitation does not apply to Business Income coverage or to Extra Expense coverage.

D. Additional Coverage — Collapse

The term Covered Cause of Loss includes the Additional Coverage — Collapse as described and limited in **D.1.** through **D.5.** below.

1. With respect to buildings:

   a. Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;

   b. A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;

   c. A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;

   d. A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

2. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if the collapse is caused by one or more of the following:

   a. The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;

   b. Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

   c. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

   d. Weight of people or personal property;

   e. Weight of rain that collects on a roof;

   f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in **2.a.** through **2.e.**, we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

   The criteria set forth in **1.a.** through **1.d.** do not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in **2.a.**, **2.d.** and **2.e.**

3. With respect to the following property:

   a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

   b. Awnings, gutters and downspouts;

   c. Yard fixtures;

   d. Outdoor swimming pools;

   e. Fences;

   f. Piers, wharves and docks;

   g. Beach or diving platforms or appurtenances;

   h. Retaining walls; and

   i. Walks, roadways and other paved surfaces;

   if the collapse is caused by a cause of loss listed in **2.b.** through **2.f.**, we will pay for loss or damage to that property only if:

   a. Such loss or damage is a direct result of the collapse of a building insured under this Coverage Form; and

   b. The property is Covered Property under this Coverage Form.

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4. If personal property abruptly falls down or caves in and such collapse is not the result of collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

   a. The collapse was caused by a Cause of Loss listed in **2.a.** through **2.f.** above;

   b. The personal property which collapses is inside a building; and

   c. The property which collapses is not of a kind listed in **3.** above, regardless of whether that kind of property is considered to be personal property or real property.

   The coverage stated in this Paragraph **4.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

   Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

5. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

E. Additional Coverage — Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

   a. A "specified cause of loss" other than fire or lightning; or

   b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

   a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;

   b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and

   c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to $15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of $15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

   If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage — Collapse.

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6. The following, **6.a.** or **6.b.**, applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense coverage form.

   a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

   b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration", but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

   (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

   (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.

   (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is $5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, **F.3.**, does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

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2. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

   a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

      (1) The cost of filling sinkholes; or

      (2) Sinking or collapse of land into man-made underground cavities.

   b. Falling objects does not include loss or damage to:

      (1) Personal property in the open; or

      (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

   c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

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WATER EXCLUSION ENDORSEMENT

COMMERCIAL PROPERTY
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion in Paragraph **B.** replaces the **Water** Exclusion in this Coverage Part or Policy.

B. Water

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

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

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

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SYSTEMS POWER PAC

COMMERCIAL PROPERTY
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SECTION — I

The following is added as an Additional Coverage to the Causes of Loss — Basic Form, Broad Form or Special Form.

A. ADDITIONAL COVERAGE — EQUIPMENT BREAKDOWN.

The term Covered Cause of Loss includes the Additional Coverage Equipment Breakdown as described and limited below.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident." As used in this Additional Coverage, "accident" means a fortuitous event that causes direct physical damage to "covered equipment." The event must be one of the following:

   a. mechanical breakdown, including rupture or bursting caused by centrifugal force;

   b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;

   c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;

   d. loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or

   e. loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

2. Unless otherwise shown in a Schedule, the following coverages also apply to the direct result of an "accident." These coverages do not provide additional amounts of insurance.

   a. Expediting Expenses

   With respect to your damaged Covered Property, we will pay, up to $250,000 unless otherwise shown in a Schedule, the reasonable extra cost to:

   (1) make temporary repairs; and

   (2) expedite permanent repairs or permanent replacement.

   b. Hazardous Substances

   We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property.

   This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

   The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is $250,000 unless otherwise shown in a Schedule.

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c. Spoilage

(1) We will pay:

(a) for physical damage to "perishable goods" due to spoilage;

(b) for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;

(c) any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident," less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense under this coverage is $250,000 unless otherwise shown in a Schedule or the Spoilage Limit endorsement.

d. Service Interruption

(1) Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by an "accident" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, propane gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.

(2) Unless otherwise shown in a Schedule, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident."

(3) The most we will pay for loss, damage or expense under this coverage is the limit that applies to Business Income, Extra Expense or Spoilage, except that if a limit is shown in a Schedule for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

e. Business Income and Extra Expense

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. The most we will pay for loss of Business Income you sustain or necessary Extra Expense you incur is the limit shown in the Declarations for that coverage, unless otherwise shown in a Schedule.

B. EXCLUSIONS

All exclusions in the Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

1. The exclusions are modified as follows:

a. If the **Causes of Loss — Basic Form** or **Causes of Loss — Broad Form** applies, the following is added to Exclusion **B.2.:**

Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. But if an "accident" results, we will pay for the resulting loss, damage or expense.

b. The following is added to Exclusion **B.1.g.:**

However, if electrical "covered equipment" requires drying out because of Water as described in **g.(1)** through **g.(3)** above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

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c. If the **Causes of Loss — Special Form** applies, as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident," we will pay for the loss, damage or expense caused by that "accident."

2. We will not pay under this endorsement for loss, damage or expense caused by or resulting from:

a. your failure to use all reasonable means to protect Covered Property from damage following an "accident";

b. any defect, programming error, programming limitation, computer virus, malicious code, loss of "data," loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense; or

c. any of the following tests:

a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.

3. With respect to Service Interruption coverage, we will also not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in **A.1.c.** above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.

4. With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:

a. loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

b. any increase in loss resulting from an agreement between you and your customer or supplier.

5. We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident": Any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is "perishable goods," to the extent that spoilage is covered under Spoilage coverage.

6. We will not pay under this endorsement for any loss or damage to animals, land (including land on which the property is located) and lawns.

C. DEFINITIONS

The following are added to **G. DEFINITIONS:**

1. **"Boilers and vessels"** means:

a. Any boiler, including attached steam, condensate and feedwater piping; and

b. Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

2. **"Covered equipment"**

a. **"Covered equipment"** means unless otherwise specified in a Schedule, Covered Property:

(1) that generates, transmits or utilizes energy; or

(2) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

b. None of the following is "covered equipment":

(1) structure, foundation, cabinet, compartment or air supported structure or building;

(2) insulating or refractory material;

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(3) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;

(4) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;

(5) "vehicle" or any equipment mounted on a "vehicle";

(6) satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

(7) dragline, excavation or construction equipment; or

(8) equipment manufactured by you for sale.

(9) Electronic data processing equipment, unless used to operate or control "covered equipment." Electronic Data Processing Equipment includes programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment.

3. **"Data"** means information or instructions stored in digital code capable of being processed by machinery.

4. **"Hazardous substance"** means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

5. **"Media"** means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

6. **"One accident"** means: If an initial "accident" causes other "accidents," all will be considered "one accident." All "accidents" that are the result of the same event will be considered "one accident."

7. **"Perishable goods"** means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

8. **"Production machinery"** means any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

   This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

9. **"Vehicle"** means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

   However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle."

SECTION — II

The Building and Personal Property Coverage Form is amended as follows.

The definitions stated above also apply to Section II. of this endorsement.

A. DEDUCTIBLE

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown on the Systems Power Pac Deductible Endorsement. If a separate Equipment Breakdown deductible is shown, the following applies: Only as regards Equipment Breakdown Coverage, provision **D. DEDUCTIBLE** is deleted and replaced with the following:

1. Deductibles for Each Coverage

a. Unless the Deductible Endorsement indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one accident."

b. We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Deductible Endorsement. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.

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c. If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident," only the highest deductible for each coverage will apply.

2. **Direct and Indirect Coverages**

a. Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Deductible Endorsement.

b. Unless more specifically indicated in the Deductible Endorsement:

(1) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and

(2) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

3. **Application of Deductibles**

a. **Dollar Deductibles**

We will not pay for loss, damage or expense resulting from any "one accident" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Deductible Endorsement. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance

b. **Time Deductible**

If a time deductible is shown in the Deductible Endorsement, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident." If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

c. **Multiple of Average Daily Value (ADV)**

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration." The number indicated in the Deductible Endorsement will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

d. **Percentage of Loss Deductibles**

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

B. CONDITIONS

The Building and Personal Property Coverage Form and the Common Policy Conditions are amended as follows:

1. **Suspension**

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment." This can be done by mailing or delivering a written notice of suspension to:

a. your last known address; or

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b. the address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment." If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

2. **Jurisdictional Inspections**

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

3. **Environmental, Safety and Efficiency Improvements**

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

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" is the applicable Limit of Insurance in the Declarations unless otherwise shown in a Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

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BUSINESS INCOME COVERAGE FORM
ACTUAL LOSS SUSTAINED — 12 MONTH LIMITATION

COMMERCIAL PROPERTY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION E — DEFINITIONS.**

A. COVERAGE

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

i. The portion of the building which you rent, lease or occupy; and

ii. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

1. Business Income

Business Income means the:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

2. Covered Causes of Loss

See applicable Causes of Loss Form as shown in the Declarations.

3. Additional Coverages

a. Extra Expense.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

(1) We will pay any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations:"

(a) At the described premises; or

(b) At replacement premises or at temporary locations, including:

(i) Relocation expenses; and

(ii) Costs to equip and operate the replacement or temporary locations.

(2) We will pay any Extra Expense to minimize the "suspension" of business if you cannot continue "operations".

(3) We will pay any Extra Expense to:

(a) Repair or replace any property; or

(b) Research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

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b. **Civil Authority.** We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for Extra Expense will begin immediately after the time of that action and will end:

(1) 3 consecutive weeks after the time of that action; or

(2) When your Business Income coverage ends;

whichever is later.

c. **Alterations and New Buildings.** We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

(1) New buildings or structures, whether complete or under construction;

(2) Alterations or additions to existing buildings or structures; and

(3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

(a) Used in the construction, alterations or additions; or

(b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations," the "period of restoration" will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

d. **Extended Business Income.**

(1) Business Income other than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

(a) Begins on the date property is actually repaired, rebuilt or replaced and "operations" are resumed; and

(b) Ends on the earlier of:

(i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

(ii) 30 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

(a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

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(b) Ends on the earlier of:

(I) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

(II) 30 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises is located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

4. **Coverage Extension**

Newly Acquired Locations

a. You may extend your Business Income and Extra Expense Coverage to apply to property at any location you acquire other than fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is $100,000 at each location.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

B. EXCLUSIONS AND LIMITATIONS

See applicable Causes of Loss Form as shown in the Declarations.

C. LIMITS OF INSURANCE

We will only pay for loss of Business Income that occurs within 12 consecutive months after the date of direct physical loss or damage.

D. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. **Appraisal**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

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

2. **Duties In the Event Of Loss**

a. You must see that the following are done in the event of loss:

(1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.

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(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. We will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

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

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

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

(7) Cooperate with us in the investigation or settlement of the claim.

(8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. **Limitation — Electronic Media and Records**

We will not pay for any loss of Business Income caused by direct physical loss of or damage to Electronic Media and Records after the longer of:

a. 60 consecutive days from the date of direct physical loss or damage; or

b. The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises due to loss or damage caused by the same occurrence.

Electronic Media and Records are:

(1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;

(2) Data stored on such media; or

(3) Programming records used for electronic data processing or electronically controlled equipment.

This limitation does not apply to Extra Expense.

Example No. 1:

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the data that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

Example No. 2:

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 - September 29 (60 consecutive days). Loss during the period September 30 - October 15 is not covered.

4. **Loss Determination**

a. The amount of Business Income loss will be determined based on:

1. The Net Income of the business before the direct physical loss or damage occurred;

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2. The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses.

3. The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

4. Other relevant sources of information, including:

   (a) Your financial records and accounting procedures;

   (b) Bills, invoices and other vouchers; and

   (c) Deeds, liens or contracts.

b. The amount of Extra Expense will be determined based on:

   (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

      (a) The salvage value that remains of any property bought for temporary use during the "period of restoration," once "operations" are resumed; and

      (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

   (2) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

   We will reduce the amount of your:

   (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations," in whole or in part by using damaged or undamaged property at the described premises or elsewhere.

   (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. If you do not resume "operations," or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

5. **Loss Payment**

   We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

   a. We have reached agreement with you on the amount of loss; or

   b. An appraisal award has been made.

E. DEFINITIONS

1. **"Operations"** means:

   a. Your business activities occurring at the described premises; and

   b. The tenantability of the described premises.

2. **"Period of Restoration"** means the period of time that:

   a. Begins:

      (1) 72 hours after the time of direct physical loss or damage for Business Income coverage; or

      (2) immediately after the time of direct physical loss or damage for Extra Expense coverage;

   caused by or resulting from any Covered Cause of Loss at the described premises; and

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b. Ends on the earlier of:

(1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down of any property; or

(2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."

The expiration date of this policy will not cut short the "period of restoration."

3. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids alkalis chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

4. **"Rental Value"** means the:

a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and

b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and

c. Fair rental value of any portion of the described premises which is occupied by you.

5. **"Suspension"** means:

a. The slowdown or cessation of your business activities; or

b. That a part or all of the described premises is rendered untenantable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

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Social Services

COMMERCIAL PROPERTY
CP 75 82 03 10

SUMMARY OF COVERAGE AND INDEX

This is a summary of the various coverages and causes of loss provided by this form. No coverage is provided by this summary. Only the provisions of **SECTION I, II, III** and **IV** determine the scope of your insurance protection.

DESCRIPTION	
Accounts Receivable	$100,000
Airborne/Waterborne Personal Property Coverage	Included
Arson, Theft And Vandalism Rewards	$7,500
Auto Physical Damage Business Income	$25,000
Broadened Water - Direct Damage	$100,000 or Limit of Insurance, Whichever is Less
Broadened Water - Business Income	$100,000 or Limit of Insurance, Whichever is Less
Business Income From Dependent Properties	$100,000
Change of Temperature and Humidity	Included
Claim Data Expense	$25,000
Computers and Media	
Computer Equipment	Included in Business Personal Property Limit
Computer Media	$50,000
Covered Property in the Open	1,500 feet
Credit Card Slips	$5,000
Crime Coverages	
Employee Theft (Including Employee Benefit Plans)	$100,000
Forgery or Alteration	$25,000
Inside The Premises - Theft Of Money And Securities	$10,000
Inside The Premises - Theft of Patients' Money and Securities	$500 (each patient) $5,000 (all patients at one premises)
Inside The Premises - Robbery Or Safe Burglary Of Other Property	$10,000
Outside The Premises	$10,000
Damage to Property of Home Care Providers	$50,000
Deductible (waiver of multiple property deductibles)	Included
Emergency Vacating Expenses	$15,000
Extended Business Income	180 Days
Fine Arts	$25,000
Fire Department Service Charge	$25,000
Fire Extinguisher Recharge Expense	$10,000
Foundations Coverage	Included
Lock Replacement	$1,000

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DESCRIPTION	
Marring and Scratching	Included
Meeting Space Expense	$30,000
Mobile Medical Equipment	$10,000
Newly Acquired or Constructed Property	
Building	$1,000,000
Personal Property	$500,000
Newly Acquired Location - Business Income	$250,000
Non-Owned Detached Trailers	$5,000
Off Premises Utility Services	$25,000
Ordinance or Law Coverage	
Loss to the Undamaged Portion of the Building	Included
Demolition Costs	$300,000
Increased Cost of Construction	$300,000
Outdoor Property (Includes Fences, Signs, Storage Sheds, Radio and Television Receiving Equipment, and Playground Equipment)	$50,000 any one policy period
Outdoor Trees, Shrubs and Plants	$10,000 any one policy period
Personal Effects (Maximum $5,000. Per Person)	$25,000
Personal Property of Others	$25,000 per location
Pollutant Clean-up and Removal	$25,000
Precious Metals Theft Limitations	$25,000
Premises Boundary Increased Distance	1,500 feet
Property in Transit	$100,000
Property Off-Premises	$500,000
Radio and Television Receiving Equipment	$10,000
Refrigerated Property	$50,000
Relocation Fees	$30,000
Replacement Cost Valuation for Personal Property of Others	Included
Selling Price Valuation	Included
Tenant's Building Glass Liability	Included
Temporary Room Vacancy Income	$5,000 any one accident or illness per resident $50,000 any one policy period
Terrorism Travel Expense	$30,000
Transit Business Income	$25,000
Valuable Papers and Records - Cost of Research	$60,000
Voluntary Parting by Trick, Scheme or Device	Included

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM
BUSINESS INCOME COVERAGE FORM

The insurance provided by this coverage form is primary as respects any other insurance provided by this company except, if the insured has specifically scheduled or described the property under another form then that more specific coverage form shall be primary as respects the insurance provided by this coverage form. If a loss covered under this endorsement form also involves a loss under any other coverage form that is made a part of this policy, then the broadest coverage will apply except, if the property is specifically scheduled or described under another coverage form then the valuation provisions of that more specific coverage form will apply. All other terms and conditions in the policy for which this endorsement is attached remain unchanged.

SECTION I

The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is amended as follows:

COVERAGE EXTENSIONS

The **Coverage Extensions** found under the section titled **COVERAGE** are replaced by the following:

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,500 feet of the described premises.

Coverage Extensions Deductible:

(1) Unless otherwise stated in this Endorsement, Coverage Extensions are subject to the Deductible shown in the Commercial Property Coverage Declarations, or $500, whichever is less.

(2) If Flood, Earthquake, Earthquake Sprinkler Leakage and/or Difference in Conditions Coverage is provided, the deductible shown in the specific coverage declaration applies.

The **Additional Condition, Coinsurance**, does not apply to these Extensions. Unless otherwise stated in this endorsement or in a specific Coverage Extension, the following Coverage Extensions:

(1) Are in addition to the Limits of Insurance shown in the Declarations;

(2) Apply to each described premises;

(3) Apply on a per occurrence basis; and

(4) Are subject to the Deductible provision of this endorsement.

Accounts Receivable

a. You may extend the insurance provided by this Coverage Form to cover loss that results from any of the Covered Causes of Loss to your records of accounts receivable, at the described premises for:

(1) All amounts due from your customers that you are unable to collect;

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

(3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and

(4) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

b. If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss, we will pay for loss while they are:

(1) At a safe place away from your described premises.

(2) Being taken to and returned from that place.

The most we will pay for loss under this Extension is $100,000

No deductible is applicable to this Extension.

Arson, Theft and Vandalism Rewards

You may extend the insurance provided by this Coverage Form to apply to rewards given to any person or persons other than you; your officers; your partners; your employees; or public police, or fire officials for information leading to a conviction in connection with:

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a. A fire loss to the described premises caused by arson;

b. An actual or attempted theft of money or other Covered Property; or

c. A vandalism loss to the described premises.

The most we will pay under this Extension is $7,500, or the amount of the claim, whichever is less, per loss. This is the most we will pay regardless of the number of persons who provided information.

No deductible is applicable to this Extension.

Broadened Water - Direct Damage

You may extend the insurance provided by this Coverage Form to pay for direct loss or damage caused by:

a. Water that backs up or overflows from a sewer, drain or sump; or

b. Water under the ground surface pressing on, or flowing or seeping through foundations, walls, floors or paved surfaces.

However, with respect to Paragraph **b.** above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown

For purposes of this Extension of coverage, drain does not include a roof drain, gutter, downspout or similar fixtures or equipment.

This Coverage Extension does not apply to loss or damage resulting from an Insured's failure to:

a. Keep a sump pump or its related equipment in proper working condition; or

b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

The most we will pay for loss or damage to Covered Property under this coverage Extension is $100,000 or the limit of insurance shown in the Declarations, whichever is less.

Claim Data Expense

You may extend the insurance provided by this Coverage Form to apply to the expense you incur in preparing claim data when we require it. This includes the cost of taking inventories, making appraisals, and preparing other documentation to show the extent of loss.

The most we will pay for preparation of claim data under this Extension is $25,000. We will not pay for any expenses billed by and payable to insurance adjusters or attorneys or any costs as provided in the Loss Condition Appraisal.

Computers And Media

You may extend the insurance that applies to Your Business Personal Property to apply to direct loss or damage caused by or resulting from any of the Covered Causes of Loss to computer "equipment" and replaceable "media" that you own, lease, rent, or for which you are otherwise legally responsible.

The following definitions apply to the coverage provided by this Extension:

a. "Equipment" means a network of machine components that accepts information, processes it according to a plan and produces a desired result. This includes programmable electronic devices that can store, retrieve, and process data and associated peripheral devices that provide communication, including input and output functions such as printing, or auxiliary functions such as data transmission.

b. "Media" means the material on which data is recorded, such as magnetic tapes, disk packs, floppy disks, drums, paper tapes, cards, and programs. This includes the data stored on the media.

The most we will pay for loss or damage under this Extension for "equipment" is included in the amount of the limit shown in the Declarations for Your Business Personal Property. The most we will pay for loss of damage under this extension for "media" is $50,000.

This Extension for "equipment" does not increase the limit of insurance shown in the Declarations. This Extension for "equipment" and "media" is subject to the deductible in the Commercial Property Coverage Declarations.

This Extension applies to property located anywhere in the Coverage Territory.

Covered Property In the Open

You may extend the insurance provided by this Coverage Form to apply to Covered Property located in the open (or in a vehicle) within 1,500 feet of the described premises for loss or damage caused by or resulting from any of the Covered Causes of Loss.

Credit Card Slips

You may extend the insurance provided by this Coverage Form to apply to amounts you are unable to collect due to loss of or damage to credit card slips while located at the described premises as a result of a Covered Cause of Loss.

It is your responsibility to establish the amount of the loss under this Extension. If it is not possible, the amount of the loss will be determined as follows:

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a. If you have been in business for more than twelve months at the location of the loss, one-thirtieth (1/30) of the average monthly amount of credit card slips will be considered as average daily credit card slips for that location. The twelve months immediately preceding the discovery of the loss will be used to determine the average monthly amount.

b. If you have been in business for less than twelve months at the location of the loss, the average daily credit card slips shall be one-thirtieth (1/30) of the average monthly amount of credit card slips for the number of months you have been in business at that location.

c. The average daily credit card slips will be multiplied by the number of days for which slips are lost to determine the amount of the loss, subject to the maximum limit indicated below.

The most we will pay as a result of loss or damage to credit card slips under this Extension is $5,000.

No deductible is applicable to this Extension.

Damage to Property of Home Care Providers

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by, or in the care, custody or control of a home care provider, caused by a patient placed by you or an appropriate governmental agency of the home care provider. This Extension also extends to vehicles and self-propelled machines and outdoor trees, shrubs and plants owned by, or in the care, custody or control of the home care provider.

Home care provider means a foster parent (or parent) paid by you or an appropriate governmental agency to care for one or more patients on a continuous basis away from your premises.

The most we will pay for loss or damage in any one occurrence under this Extension is $50,000.

Emergency Vacating Expenses

You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses that you incur in the vacating of your covered premises as a result of an "emergency".

The following definition applies to the coverage provided by this Extension:

"Emergency" means imminent danger arising from an external event or condition in the facility for the physically or developmentally disabled which would cause loss of life or harm to your patients or residents.

We will not pay for expenses resulting from or caused by the following:

a. A strike, bomb threat or false fire alarm, unless vacating is ordered by a civil authority;

b. A planned vacating drill;

c. The vacating of one or more patients or residents that is due and confined to their individual medical condition.

The most we will pay for loss or damage under this extension is $15,000 in any one occurrence.

Each loss for Emergency Vacating Expenses is subject to a $250 deductible.

Fine Arts

You may extend the insurance provided by this Coverage Form to apply to loss or damage to paintings, etchings, pictures, tapestries, and any other bona fide works of art with rarity or historical value caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is $25,000.

Fire Extinguisher Recharge Expense

a. You may extend the insurance provided by this Coverage Form to pay for the cost to recharge or refill any "fire extinguishing equipment" when discharged:

(1) Due to a Covered Cause of Loss;

(2) As a result of the intended operation of such equipment to prevent or control a Covered Cause of Loss;

(3) Accidentally; or

(4) Resulting from a malfunction of the "fire extinguishing equipment".

We will also pay the cost you incur to clean up the released extinguishing agent.

b. We will not pay for loss or damage:

(1) If you fail to use reasonable care to maintain the "fire extinguishing equipment" in proper operating condition; or

(2) If the discharge occurs while servicing, refilling or testing the "fire extinguishing equipment."

c. The following definition applies to the coverage provided by this Extension:

"Fire extinguishing equipment" means Portable Extinguishers and Automatic Extinguishing Systems protecting cooking equipment.

The most we will pay under this Extension is $10,000. No deductible applies to this extension.

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Lock Replacement Coverage

You may extend the insurance provided by this Coverage Form to apply to Replacement of Locks necessitated by the theft of keys to your premises.

The most we will pay for loss under this Extension is $1,000.

Each loss for lock replacement covered by this Extension is subject to a $50 deductible.

Mobile Medical Equipment

You may extend the insurance provided by this Coverage Form to apply to loss or damage to your mobile medical equipment, including equipment which you rent from any of the Covered Causes of Loss.

This Extension applies to equipment located anywhere in the Coverage Territory.

This Extension does not apply to land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is principally garaged, or to land vehicles which are insured elsewhere.

The most we will pay for loss or damage under this Extension is $10,000.

Newly Acquired Or Constructed Property

a. **Building**

If this policy covers Building, you may extend that insurance to apply to direct loss or damage caused by or resulting from any of the Covered Causes of Loss to:

(1) Your new buildings while being built on the described premises; and

(2) Buildings you acquire at locations, other than the described premises, intended for:

(a) Similar use as the building described in the Declarations; or

(b) Use as a warehouse.

The most we will pay for loss or damage under this Extension is $1,000,000 at each building.

b. **Your Business Personal Property**

(1) If this policy covers Your Business Personal Property, you may extend that insurance to apply to direct loss or damage caused by or resulting from any of the Covered Causes of Loss to:

(a) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; and

(b) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is $500,000 at each building.

(2) This Extension does not apply to:

(a) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(b) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities; or

(c) "Stock".

c. **Period Of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(1) This policy expires;

(2) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

Non-Owned Detached Trailers

a. You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(1) The trailer is used in your business;

(2) The trailer is in your care, custody or control at the premises described in the Declarations; and

(3) You have a contractual responsibility to pay for loss or damage to the trailer.

b. We will not pay for any loss or damage that occurs:

(1) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(2) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

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This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Ordinance or Law

You may extend the insurance that applies to Building as follows:

a. If a Covered Cause of Loss occurs to covered Building property, we will pay:

(1) For loss or damage caused by enforcement of any ordinance or law that:

(a) Requires the demolition of part of the same property not damaged by a Covered Cause of Loss;

(b) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

(c) Is in force at the time of loss.

(2) The increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.

(3) The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of the building, zoning or land use ordinance or law.

b. However, we will not pay under this Extension for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria; or any costs associated with the enforcement of an ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants", "fungi", wet or dry rot or bacteria.

c. The following definitions apply to the coverage provided by this Extension:

(1) "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

(2) "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

d. We will not pay for increased construction costs under this endorsement:

(1) Until the property is actually repaired or replaced, at that same premises or elsewhere; and

(2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

e. This Extension is not subject to the terms of the Ordinance or Law Exclusion, to the extent such Exclusion would conflict with the provisions of this Extension.

f. We will not pay more:

(1) If the property is repaired or replaced on the same premises, than the amount you actually spend to:

(a) Demolish and clear the site; and

(b) Repair, rebuild or construct the property but not for more than property of the same height, floor area and style on the same premises.

(2) If the property is not repaired or replaced on the same premises, than:

(a) The amount you actually spend to demolish and clear the site of the described premises; and

(b) The cost to replace, on the same premises, the damaged or destroyed property with other property:

(i) Of comparable material and quality;

(ii) Of the same height, floor area and style; and

(iii) Used for the same purpose.

(3) Than $300,000 in any one occurrence for increased construction costs under this Extension.

(4) Than $300,000 in any one occurrence for demolition costs under this Extension.

The terms of this Extension apply separately to each building to which the Extension applies.

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

Outdoor Property

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

a. Outdoor fences, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

b. Outdoor signs, whether or not attached to buildings, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

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c. Outdoor storage sheds used to store your business supplies or equipment, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

d. Radio and television antennas, satellite dishes and similar audio/visual receiving equipment; their lead-in wiring, masts or towers, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

e. Playground equipment, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is $50,000 in any one policy period.

Outdoor Trees, Shrubs And Plants

You may extend the insurance provided by this Coverage Form to apply to loss or damage to your outdoor trees, shrubs and plants (other than ornamental display gardens or growing stock) including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is $10,000 in any one policy period.

Personal Effects

You may extend the insurance that applies to Your Business Personal Property to apply to personal effects owned by you, your officers, your partners or members, your managers or your employees, including your employees' tools for loss or damage caused by or resulting from any of the Covered Causes of Loss.

This Extension applies to personal effects located anywhere in the Coverage Territory.

The most we will pay for loss or damage under this Extension is $25,000 but not more than $5,000 for personal effects owned by any one individual.

Our payment for loss of or damage to personal effects will only be for the account of the owner of the property.

Personal Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to personal property of others in your care, custody or control, other than "installation property".

The most we will pay for loss or damage under this Extension is $25,000 at each described premises, or the applicable Limit of Insurance for Your Business Personal Property shown in the Declarations, whichever is greater. Payments under this Extension will not increase the Limit of Insurance for Your Business Personal Property.

Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

Property In Transit (Including F.O.B. Shipments And Return Shipments)

a. You may extend the insurance provided by this Coverage Form to apply to loss of or damage to personal property used in your business, including salespersons samples, that is in transit more than 1,000 feet from the described premises for loss or damage caused by or resulting from any of the Covered Causes of Loss.

   We cover property shipped:

   (1) By any type of carrier you do not own, lease, or operate;

   (2) In or on any vehicle you own, lease, or operate; or

   (3) In the care, custody, or control of your salesperson.

b. We will also pay for loss of or damage to property you ship on a F.O.B., meaning Free On Board, basis if you cannot collect the loss from the consignee. But we will only pay the amount of your interest in the property.

c. We will also pay for loss of or damage to property you ship which has been rejected by the consignee, or is not deliverable, while in transit being returned to you.

d. The following definition applies to the coverage provided by this Extension:

   "Installation property" means property of others for which you are liable or in which you have an interest, which is intended for installation, such as, but not limited to, materials, supplies, fixtures, machinery and equipment and including labor or services furnished in connection with the installation.

This Extension does not apply to "installation property."

The most we will pay for loss or damage under this Extension is $100,000.

Property Off-Premises

You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises for loss or damages resulting from any Covered Causes of Loss, if it is:

a. Temporarily at a location you do not own, lease or operate;

b. In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

c. At any fair, trade show or exhibition.

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This Extension will also apply to Covered Property in transit, that is on a vehicle that you do not own, lease or operate.

This Extension does not apply to Covered Property in transit, that is on a vehicle that you own, lease or operate.

This Extension also does not apply to "installation property."

The following definition applies to the coverage provided by this Extension:

"Installation property" means property of others for which you are liable or in which you have an interest, which is intended for installation, such as, but not limited to, materials, supplies, fixtures, machinery and equipment and including labor or services furnished in connection with the installation.

The most we will pay for loss or damage under this Extension is $500,000.

Refrigerated Property

You may extend the insurance that applies to Your Business Personal Property to apply to food spoilage resulting from utility failure to the described premises. This Extension does not apply to food spoilage resulting from mechanical failure of your refrigeration equipment.

The most we will pay for loss or damage under this Extension is $50,000

Tenant's Building Glass Liability

If you are a tenant and no Limit of Insurance is shown in the Declarations for Building coverage you may extend the insurance provided for Your Business Personal Property to cover direct physical loss of or damage caused by or resulting from any of the Covered Causes of Loss to building glass that is part of the exterior or interior walls, floors or ceilings of the building or structure occupied by you at the premises shown in the Declarations.

We will also pay for necessary:

a. Expenses incurred to put up temporary plates or board up openings;

b. Repair or replacement of encasing frames; and

c. Expenses incurred to remove or replace obstructions.

This extension only applies to glass owned by you or glass owned by others in your care, custody or control and for which you are legally, or have contractually agreed to be, responsible. Our payment for glass owned by others will only be for the account of the owner of the glass.

Payments under this Extension will not increase the applicable Limit of Insurance for Your Business Personal Property.

The Extension is subject to the deductible in the Commercial Property Coverage Declarations.

Utility Services — Direct Damage

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by the interruption of service to the described premises. The interruption must result from direct physical loss of or damage by a Covered Cause of Loss to the following property not on the described premises:

a. Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.

b. Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

(1) Communication transmission lines, including optic fiber transmission lines;

(2) Coaxial cables; or

(3) Microwave radio relays except satellites.

Overhead communication transmission lines are excluded.

c. Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.

Overhead power transmission lines are excluded.

The most we will pay for loss or damage under this Extension is $25,000.

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

Valuable Papers and Records - Cost of Research

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace, or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist for loss or damage resulting from any of the Covered Causes of Loss.

When duplicates exist, we will determine the value of Valuable Papers and Records, including those which exist on electronic or magnetic media (other than prepackaged software programs) at the cost of:

a. Blank materials for reproducing the records; and

b. Labor to transcribe or copy the records.

The most we will pay under this Extension is $60,000 at each described premises.

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PROPERTY NOT COVERED AMENDMENT

The following paragraphs under Property Not Covered do not apply:

a. Foundations of buildings, structures ... if there is no basement.

b. Personal property while airborne or waterborne.

c. Electronic Data ... "stock" of prepackaged software.

The paragraph dealing with "the cost to replace or restore the information on valuable papers and records ... exist as electronic data" under **Property Not Covered** does not apply and is replaced by:

> The cost to replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Coverage Extensions. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems.

ADDITIONAL CONDITIONS AMENDMENT

The Additional Condition, Coinsurance, does not apply to Foundations Coverage.

ADDITIONAL COVERAGES AMENDMENT

Electronic Data

The **Electronic Data Additional Coverage** does not apply. Coverage is provided under **Valuable Papers and Records - Cost of Research Coverage** Extension.

Fire Department Service Charge

The $1,000 limit under **Fire Department Service Charge** under **Additional Coverages** is changed to $25,000.

Pollutant Clean-up and Removal

The $10,000 limit under **Pollutant Clean-up and Removal** is changed to $25,000.

DEDUCTIBLE

The following replaces the **DEDUCTIBLE** section:

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less. If multiple deductibles apply to the covered loss, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

If a loss covered under this coverage form also involves a loss under an Inland Marine Coverage Form or the Physical Damage Section of a Business Auto Coverage Form issued by any member company of the Selective Insurance Group for this insured, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

VALUATION

The following new items are added to **Valuation** under **LOSS CONDITIONS:**

Item 1: Finished "stock" you fabricated or manufactured including "stock" you have sold but not delivered, at:

(1) The selling price, as if no loss or damage had occurred;

(2) Less discounts and expenses you otherwise would have had.

Item 2: We will pay the reduction in value of the remaining parts of "stock" when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" at the described premises.

Item 3: Fine Arts at market value at the time of loss or damage.

Item 4: Personal Property of others at the amount for which you are liable, not to exceed the replacement cost.

DEFINITIONS

The following additional definition is added with respect to the coverages in **SECTION I:**

"Installation property" means property of others for which you are liable or in which you have an interest, which is intended for installation, such as, but not limited to, materials, supplies, fixtures, machinery and equipment, and including labor or services furnished in connection with the installation.

SECTION II

The **CAUSES OF LOSS — SPECIAL FORM** is amended as follows:

EXCLUSIONS

1. The following **EXCLUSIONS:**
   a. Earth Movement;
   b. Smoke, vapor or gas from agricultural smudging or industrial operations;
   c. Explosion of steam boilers, steam pipes, steam engines ... gases of combustion pass;

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d. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more;

e. Water, other liquids, powder or molten material that leaks or flows from plumbing ... heat is not maintained; and

f. Rain, snow, ice or sleet to personal property in the open,

do not apply to:

a. The Valuable Papers and Records - Cost of Research Coverage Extension;

b. The Property Off-Premises Coverage Extension;

c. The Accounts Receivable Coverage Extension;

d. The Computers and Media Coverage Extension;

e. The Mobile Medical Equipment Coverage Extension;

f. The Property in Transit Coverage Extension;

g. The Fine Arts Coverage Extension; or

h. The Personal Effects Coverage Extension.

2. The Water **EXCLUSION** does not apply to:

a. The Valuable Papers and Records - Cost of Research Coverage Extension;

b. The Property Off-Premises Coverage Extension;

c. The Accounts Receivable Coverage Extension;

d. The Computers and Media Coverage Extension;

e. The Mobile Equipment Coverage Extension;

f. The Property In Transit Coverage Extension;

g. The Fine Arts Coverage Extension; or

h. The Personal Effects Coverage Extension.

3. The following **EXCLUSIONS:**

a. Utility Services;

b. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;

c. Collapse, except as provided ... premises, we will pay for the loss or damage caused by that Covered Cause of Loss; and

d. Faulty, inadequate or defective planning, ... on or off the described premises;

do not apply to the Computers and Media Coverage Extension.

4. The **EXCLUSION** which begins with wear and tear is replaced by the following, but only for the Computers and Media Extension:

Wear and Tear

5. The following **EXCLUSIONS:**

a. The following causes of loss to personal property:

Dampness or dryness of atmosphere, changes in or extremes of temperature, or marring and scratching, ... or building glass breakage; or

b. Voluntary parting with any property ... device or false pretense;

do not apply.

6. The **EXCLUSION** stating:

Dishonest or criminal act by you, any of your partners, employees ... by employees (including leased employees) is not covered;

does not apply to Covered Property that is entrusted to others who are carriers for hire.

7. The **EXCLUSION** stating:

Rain, snow, ice or sleet to personal property in the open,

does not apply to the "Growing Stock", Ornamental Gardens or Outdoor Trees, Shrubs and Plants.

8. The following **LIMITATIONS:**

a. Building materials and supplies not attached as ... resulting from theft;

b. Property that has been transferred to ... on the basis of unauthorized instructions.

c. We will not pay for loss or damage to the following types of property unless caused by the "specified causes of loss" ... (2) To Business Income coverage or to Extra Expense coverage; and

d. $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit (for loss or damage by theft).

do not apply.

9. The **LIMITATION** for loss or damage by theft for jewelry, watches, ..., and other precious alloys or metals is replaced by the following:

$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals, however:

a. This limit is increased to $50,000 for gold, silver, platinum, and other precious alloys or metals used as a raw material in your manufacturing process; and

b. This limit does not apply to jewelry and watches worth $100 or less per item.

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ADDITIONAL COVERAGE EXTENSIONS

ADDITIONAL COVERAGE EXTENSION, Property In Transit, does not apply.

SECTION III

The **BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE) or ACTUAL LOSS SUSTAINED,** when made a part of this policy, is amended as follows:

COVERAGE

Premises Boundary Increased Distance

The references in the **BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE)** or **ACTUAL LOSS SUSTAINED** to distances from the described premises are increased to 1,500 feet.

ADDITIONAL COVERAGES

The following coverage is added to the Additional Coverage provided in the **BUSINESS INCOME COVERAGE FORM.** Unless otherwise stated in this endorsement, the 72-hour waiting period under the definition of "Period of Restoration" does not apply to the following **Additional Coverages:**

Auto Physical Damage Business Income

We will pay for the actual loss of Business Income you sustain due to a Physical Damage loss to a covered auto used to transport Your Business Personal Property, if such Physical Damage loss is insured under your Business Auto Insurance. For this **Additional Coverage** only, "operations" include business activities involving the covered motor vehicle, and "period of restoration" is amended to apply to the covered motor vehicle, rather than the described premises.

Payment for Extra Expense, if part of this policy, does not apply under this **Additional Coverage.**

The covered motor vehicle must maintain rental reimbursement coverage.

The following definition applies to this Additional Coverage:

"Private Passenger Type" vehicles means a four-wheel auto of the private passenger or station wagon type.

This **Additional Coverage** does not apply to "Private Passenger Type" vehicles.

The most we will pay under this **Additional Coverage** is $25,000.

Broadened Water - Business Income

We will pay for the actual loss of Business Income you sustain due to necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by:

a. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or its related equipment; or

b. Water under the ground surface pressing on, or flowing or seeping through foundations, walls, floors or paved surfaces.

However, with respect to Paragraph **b.** above, we will not pay for the loss of Business Income you sustain in the event of mechanical breakdown.

For purposes of this **Additional Coverage,** drain does not include a roof drain, gutter, downspout or similar fixture or equipment.

This **Additional Coverage** does not apply to loss of Business Income resulting from an insured's failure to:

a. Keep a sump pump or its related equipment in proper working condition; or

b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

The most we will pay for loss of Business Income under this **Additional Coverage** is $100,000 or the Limit of Insurance shown in the Declarations, whichever is less.

Business Income From Dependent Properties

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration." The "suspension" must be caused by direct physical loss or damage at the premises of a "contingent business property," caused by or resulting from a Covered Cause of Loss. But we will not pay more than .5% of the Business Income Limit of Insurance for each day's "suspension" of "operations" at a described premises due to loss arising from any one "contingent business property."

The following definition applies to the coverage provided by this **Additional Coverage:**

"Contingent Business Property" means property operated by others you depend on to:

(1) Deliver materials or services (other than water, communications, or power supply) to you, or to others for your account (Contributing Locations);

(2) Accept your products or services (Recipient Locations);

(3) Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

(4) Attract customers to your business (Leader Locations).

The most we will pay under this **Additional Coverage** is $100,000.

This **Additional Coverage** does not apply to contingent properties for which you have more specific insurance either under this policy or another.

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Extended Business Income

The 30 consecutive days restriction under Extended Business Income is changed to 180 consecutive days.

Meeting Space Expense

We will pay for reasonable and necessary expenses you incur for the rental of temporary meeting space following loss or damage to Covered Property from a Covered Cause of Loss at the Premises described in the Declarations.

The most we will pay for this expense in any one occurrence is $30,000.

Relocation Fees

We will pay for reasonable and necessary "relocation fees" when you must relocate your "operations" due to loss or damage to Covered Property from a Covered Cause of Loss at the premises described in the Declarations.

The following definition applies to the coverage provided by this extension:

"Relocation fees" means real estate commissions and relocation consultant charges or expenses.

The most we will pay for "relocation fees" in any one occurrence is $30,000.

Temporary Room Vacancy Income

We will pay for the actual loss of Business Income you sustain when a room occupied by a resident of your facility becomes vacant as a result of the temporary hospitalization of the resident due to accident or illness.

A seventy-two (72) hour waiting period applies to this coverage.

The most we will pay under this Extension in any one accident or illness involving any one resident is $5,000.

The most we will pay under this Extension in any one policy period is $50,000.

Terrorism Travel Expense

We will pay for reasonable and necessary travel expenses incurred by you for your Directors or Officers due to a "Certified Act of Terrorism" when coverage in this policy applies to "Certified Acts of Terrorism". Your Directors or Officers must have been traveling on your behalf at the time of the "Certified Act of Terrorism".

This coverage is excess over any coverage in a travel insurance policy carried by you or by the affected Directors or Officers for these expenses.

This coverage does not apply when travel services or reimbursement for travel services are provided by hotels, transportation carriers or other travel service providers.

The most we will pay for this these expenses in any one occurrence, regardless of the number of affected individuals, is $30,000.

Transit Business Income

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration." The "suspension" must be caused by direct physical loss of or damage to your covered property while in due course of transit, caused by or resulting from a Covered Cause of Loss.

Payment for Extra Expense, if part of this policy, does not apply under this additional coverage.

The most we will pay under this Additional Coverage is $25,000.

SECTION IV – CRIME COVERAGE

The following coverage is added to the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM:**

A. CRIME INSURING AGREEMENTS

You may extend the insurance provided by this Coverage form to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition **D.1.k.** or **D.1.l.**, which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition **D.1.g.** Coverage is extended for the following Crime Insuring Agreements:

1. **Employee Theft**

   We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

   For the purposes of this Crime Insuring Agreement, "theft" shall also include forgery when committed by someone who is an "Employee" at the time the loss is sustained. The most we will pay for one or more "occurrences" "discovered" during the term of this Crime Insuring Agreement, including any extended period to discover loss as set out in Condition **D.1.g.** is $100,000. If any loss is covered under more than one Crime Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest limit available under any one of those Crime Insuring Agreements or Coverages.

2. **Forgery Or Alteration**

   a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

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(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Crime Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph **2.a.**, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Crime Insuring Agreement.

c. The most we will pay for this Crime Insuring Agreement is $25,000. If any loss is covered under more than one Crime Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest limit available under any one of those Crime Insuring Agreements or Coverages.

3. **Inside The Premises - Theft Of Money And Securities**

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

(1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or

(2) Resulting directly from disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

d. The most we will pay for this Crime Insuring Agreement is $10,000. If any loss is covered under more than one Crime Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest limit available under any one of those Crime Insuring Agreements or Coverages.

e. Coverage Extension - Theft of Patients' Money and Securities.

(i) You may extend the insurance provided by this Coverage Form to apply to "theft" of Money and Securities of patients or residents committed by a person present inside such "premises".

(ii) The most we will pay for this Coverage Extension is $500 for each patient and $5,000 for all patients at each "premises". This is in addition to the Limit of Insurance in Paragraph **d.**

4. **Inside The Premises - Robbery Or Safe Burglary Of Other Property**

a. We will pay for loss of or damage to "other property":

(1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or

(2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

d. The most we will pay for this Crime Insuring Agreement is $10,000. If any loss is covered under more than one Crime Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest limit available under any one of those Crime Insuring Agreements or Coverages.

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5. **Outside The Premises**

   a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

   b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

   c. The most we will pay for this Crime Insuring Agreement is $10,000. If any loss is covered under more than one Crime Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest limit available under any one of those Crime Insuring Agreements or Coverages.

B. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit provided for each Insuring Agreement.

C. Exclusions

1. This insurance does not cover:

   a. **Acts Committed By You, Your Partners, Your Members Or Certain Shareholders**

   Loss resulting from "theft" or any other dishonest act committed by:

   (1) You;

   (2) Any of your partners or "members"; or

   (3) If you are a corporation, any person owning 25% of more of your common stock;

   whether acting alone or in collusion with other persons.

   b. **Acts Of Employees Learned Of By You Prior To The Policy Period**

   Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

   c. **Acts Of Employees, Managers, Directors, Trustees Or Representatives**

   Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

   (1) Whether acting alone or in collusion with other persons; or

   (2) While performing services for you or otherwise;

   except when covered under Crime Insuring Agreement **A.1.**

   d. **Confidential Information**

   Loss resulting from:

   (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or

   (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

   e. **Governmental Action**

   Loss resulting from seizure or destruction of property by order of governmental authority.

   f. **Indirect Loss**

   Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:

   (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".

   (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.

   (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

   g. **Legal Fees, Costs And Expenses**

   Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Crime Insuring Agreement **A.2.**

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h. **Nuclear Hazard**

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

i. **Pollution**

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

j. **War And Military Action**

Loss or damage resulting from:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

2. Crime Insuring Agreement **A.1.** does not cover:

a. **Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

b. **Trading**

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

c. **Warehouse Receipts**

Loss resulting from the fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

3. Crime Insuring Agreement **A.2.** does not cover loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property" or loss resulting from a fraudulent instruction directing a financial institution to transfer, pay or deliver "funds" from an account that you have set up with an institution that allows the initiation of transfers, payments or delivery of "funds" by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system.

4. Crime Insuring Agreements **A.3.**, **A.4.** and **A.5.** do not cover:

a. **Accounting Or Arithmetical Errors Or Omissions**

Loss resulting from accounting or arithmetical errors or omissions.

b. **Exchanges Or Purchases**

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. **Fire**

Loss or damage resulting from fire, however caused, except:

(1) Loss of or damage to "money" and "securities"; and

(2) Loss from damage to a safe or vault.

d. **Money Operated Devices**

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

e. **Motor Vehicles Or Equipment And Accessories**

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

f. **Transfer Or Surrender Of Property**

(1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":

(a) On the basis of unauthorized instructions;

(b) As a result of a threat to do bodily harm to any person;

(c) As a result of a threat to do damage to any property;

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(d) As a result of a threat to introduce a denial of service attack into your computer system;

(e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;

(f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or

(g) As a result of a threat to disseminate, divulge or utilize:

(i) Your confidential information; or

(ii) Weaknesses in the source code within your computer system.

(2) But, this Exclusion does not apply under Crime Insuring Agreement **A.5.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

(a) Had no knowledge of any threat at the time the conveyance began; or

(b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

D. Conditions

The following Conditions apply in addition to the Common Policy Conditions:

1. Conditions Applicable To All Crime Insuring Agreements

a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:

(1) This insurance;

(2) The property covered under this insurance;

(3) Your interest in the property covered under this insurance; or

(4) A claim under this insurance.

c. Consolidation — Merger Or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

(1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

(2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

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d. Cooperation

You must cooperate with us in all matters pertaining to this Insurance as stated in its terms and conditions.

e. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

(1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Crime Insuring Agreement **A.1.** or **A.2.**) involves a violation of law, you must also notify the local law enforcement authorities.

(2) Submit to examination under oath at our request and give us a signed statement of your answers.

(3) Produce for our examination all pertinent records.

(4) Give us a detailed, sworn proof of loss within 120 days.

(5) Cooperate with us in the investigation and settlement of any claim.

f. Employee Benefit Plans

(1) The "employee benefit plans" (hereinafter referred to as Plan) that are wholly owned and operated by you for the sole benefit of your "employees" are included as Insureds under Crime Insuring Agreement **A.1.**

(2) With respect to loss sustained or "discovered" by any such Plan, Crime Insuring Agreement **A.1.** is replaced by the following:

We will pay for loss of or damage to "funds" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

(3) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.

(4) If two or more Plans are insured under this insurance, any payment we make for loss:

(a) Sustained by two or more Plans; or

(b) Of commingled "funds" or "other property" of two or more Plans;

resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.

(5) The Deductible Amount applicable to Crime Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

g. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you:

(1) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(2) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

h. Joint Insured

(1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

(2) If any Insured, or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

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(3) An "employee" of any Insured is considered to be an "employee" of every Insured.

(4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:

(a) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

(5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

(6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan", shall fully release us on account of such loss.

l. Legal Action Against Us

You may not bring any legal action against us involving loss:

(1) Unless you have complied with all the terms of this Insurance;

(2) Until 90 days after you have filed proof of loss with us; and

(3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

j. Liberalization

If we adopt any revision that would broaden the coverage under this Insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this Insurance.

k. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

(a) Partly during the Policy Period shown in the Declarations; and

(b) Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

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We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

(3) In settling loss subject to this Condition:

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

(4) The following examples demonstrate how we will settle losses subject to this Condition **D.1.k.:**

EXAMPLE NO. 1:

The insured sustained a covered loss of $10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

POLICY A

The current policy. Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

POLICY B

Issued prior to Policy **A.** Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

The amount of loss sustained under Policy **A** is $2,500 and under Policy **B** is $7,500.

The highest single Limit of Insurance applicable to this entire loss is $50,000 written under Policy **A.** The Policy **A** Deductible Amount of $5,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy **A.** ($2,500) is settled first. The amount we will pay is nil ($0.00) because the amount of loss is less than the Deductible Amount (i.e., $2,500 loss — $5,000 deductible = $0.00).
2. The remaining amount of loss sustained under Policy **B** ($7,500) is settled next. The amount recoverable is $5,000 after the remaining Deductible Amount from Policy **A** of $2,500 is applied to the loss (i.e., $7,500 loss — $2,500 deductible = $5,000).

The most we will pay for this loss is $5,000.

EXAMPLE NO. 2:

The insured sustained a covered loss of $250,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

POLICY A

The current policy. Written at a Limit of Insurance of $125,000 and a Deductible Amount of $10,000.

POLICY B

Issued prior to Policy **A.** Written at a Limit of Insurance of $150,000 and a Deductible Amount of $25,000.

The amount of loss sustained under Policy **A** is $175,000 and under Policy **B** is $75,000.

The highest single Limit of Insurance applicable to this entire loss is $150,000 written under Policy **B.** The Policy **A** Deductible Amount of $10,000 applies. The loss is settled as follows:

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1. The amount of loss sustained under Policy **A** ($175,000) is settled first. The amount we will pay is the Policy **A** Limit of $125,000 because $175,000 loss − $10,000 deductible = $165,000 which is greater than the $125,000 policy limit.
2. The remaining amount of loss sustained under Policy **B** ($75,000) is settled next. The amount we will pay is $25,000 (i.e., $150,000 Policy **B** limit − $125,000 paid under Policy **A** = $25,000).

The most we will pay for this loss is $150,000.

EXAMPLE NO. 3:

The Insured sustained a covered loss of $2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies **A, B, C** and **D.**

POLICY A

The current policy. Written at a Limit of Insurance of $1,000,000 and a Deductible Amount of $100,000.

POLICY B

Issued prior to Policy **A.** Written at a Limit of Insurance of $750,000 and a Deductible Amount of $75,000.

POLICY C

Issued prior to Policy **B.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

POLICY D

Issued prior to Policy **C.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

The amount of loss sustained under Policy **A** is $350,000, under Policy **B** is $250,000, under Policy **C** is $600,000 and under Policy **D** is $800,000.

The highest single Limit of Insurance applicable to this entire loss is $1,000,000 written under Policy **A.** The Policy **A** Deductible Amount of $100,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy **A** ($350,000) is settled first. The amount we will pay is $250,000 (i.e., $350,000 loss − $100,000 deductible = $250,000).
2. The amount of loss sustained under Policy **B** ($250,000) is settled next. The amount we will pay is $250,000 (no deductible is applied).
3. The amount of loss sustained under Policy **C** ($600,000) is settled next. The amount we will pay is $500,000, the policy limit (no deductible is applied).
4. We will not make any further payment under Policy **D** as the maximum amount payable under the highest single Limit of Insurance applying to the loss of $1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is $1,000,000.

I. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

(1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the Policy Period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this Condition:

(a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the prior cancelled insurance.

(3) The insurance provided under this Condition is subject to the following:

(a) If loss covered under this Condition is also partially covered under Condition **D.1.k.**, the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition **D.1.k.**

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(b) For loss covered under this Condition that is not subject to Paragraph (3)(a), the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:

(i) This insurance as of its effective date; or

(ii) The prior cancelled insurance had it remained in effect.

m. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

(1) Primary Insurance

When this insurance is written as primary insurance, and:

(a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Crime Insuring Agreement bears to the total limit of all insurance covering the same loss.

(b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:

(i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

(2) Excess Insurance

(a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

(b) However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

n. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

(1) That you own or lease; or

(2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

o. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

p. Recoveries

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:

(a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;

(b) Second, to us in satisfaction of amounts paid in settlement of your claim;

(c) Third, to you in satisfaction of any Deductible Amount; and

(d) Fourth, to you in satisfaction of any loss not covered under this insurance.

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(2) Recoveries do not include any recovery:

(a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(b) Of original "securities" after duplicates of them have been issued.

q. Territory

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions), Puerto Rico and Canada.

r. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

s. Valuation — Settlement

(1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

(a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:

(i) At face value in the "money" issued by that country; or

(ii) In the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

(i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

I. Market value of the "securities" at the close of business on the day the loss was "discovered"; or

II. The Limit of Insurance applicable to the "securities".

(c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;

(ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or

(iii) The Limit of Insurance applicable to the lost or damaged property.

With regard to Paragraphs **s.(1)(c)(i)** through **s.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:

I. Until the lost or damaged property is actually repaired or replaced; and

II. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

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(2) We will, at your option, settle loss or damage to property other than "money":

(a) In the "money" of the country in which the loss or damage occurred; or

(b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(3) Any property that we pay for or replace becomes our property.

2. **Conditions Applicable To Crime Insuring Agreement A.1.**

a. **Termination As To Any Employee**

This Crime Insuring Agreement terminates as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

b. **Territory**

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition **E.1.q.** for a period of not more than 90 consecutive days.

3. **Conditions Applicable To Crime Insuring Agreement A.2.**

a. **Deductible Amount**

The Deductible Amount does not apply to legal expenses paid under Crime Insuring Agreement **A.2.**

b. **Electronic And Mechanical Signatures**

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. **Proof Of Loss**

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. **Territory**

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.q.** does not apply to Crime Insuring Agreement **A.2.**

4. **Conditions Applicable To Crime Insuring Agreements A.4. And A.5.**

a. **Armored Motor Vehicle Companies**

Under Crime Insuring Agreement **A.5.**, we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. **Special Limit Of Insurance For Specified Property**

We will only pay up to $5,000 for any one "occurrence" of loss of or damage to:

(1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or

(2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

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F. Definitions

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
3. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

   "Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.
4. "Employee":

   a. "Employee" means:

      (1) Any natural person:

         (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";

         (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 **a.(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 **a.(2)**;

      (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"; and

         (b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

      (5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;

      (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";

      (7) Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or

      (8) Any of your "managers", directors or trustees while:

         (a) Performing acts within the scope of the usual duties of an "employee"; or

         (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

   b. "Employee" does not mean:

      Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **5.a.**

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5. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

6. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

7. "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 Crime Insuring Agreement **A.2.**) 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.

8. "Funds" means "money" and "securities".

9. "Manager" means a person serving in a directorial capacity for a limited liability company.

10. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".

11. "Messenger" means you, or a relative of yours, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".

12. "Money" means:

   a. Currency, coins and bank notes in current use and having a face value; and

   b. Travelers checks, register checks and money orders held for sale to the public.

13. "Occurrence" means:

   a. Under Crime Insuring Agreement **A.1.**:

      (1) An individual act;

      (2) The combined total of all separate acts whether or not related; or

      (3) A series of acts whether or not related;

      committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **D.1.k.** or **E.1.l.**

   b. Under Crime Insuring Agreement **A.2.**:

      (1) An individual act;

      (2) The combined total of all separate acts whether or not related; or

      (3) A series of acts whether or not related;

      committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition **D.1.k.** or **D.1.l.**

   c. Under All Other Crime Insuring Agreements:

      (1) An individual act or event;

      (2) The combined total of all separate acts or events whether or not related; or

      (3) A series of acts or events whether or not related;

      committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition **D.1.k.** or **D.1.l.**

14. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this Insurance.

15. "Premises" means the interior of that portion of any building you occupy in conducting your business.

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16. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
    a. Caused or threatened to cause that person bodily harm; or
    b. Committed an obviously unlawful act witnessed by that person.
17. "Safe burglary" means the unlawful taking of:
    a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
    b. A safe or vault from inside the "premises".
18. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
    a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
    b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

    but does not include "money".
19. "Theft" means the unlawful taking of property to the deprivation of the Insured.
20. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":
    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 Crime Insuring Agreement A.2.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
21. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

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Previous Policy Number	Policy Number
S 1940117	S 1940117

COMMERCIAL LIABILITY COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Business of Named Insured: DAY CARE

Insurance is provided only for those coverages for which a specific limit is shown in the following coverage schedule.

Coverage Limits

COMMERCIAL GENERAL LIABILITY

General Aggregate Limit (Other Than Products-Completed Operations)	$3,000,000
Products-Completed Operations -- Aggregate Limit	$3,000,000
Personal and Advertising -- Injury Limit	$1,000,000
Each Occurrence Limit	$1,000,000
Damage To Premises Rented To You Limit -- Any One Premises	$100,000
Medical Expense Limit -- Any One Person	$15,000

Commercial Liability Premium(s)

Classification	Class Code	Premium Basis	Rates: Premises - Operations	Rates: Products - Completed Operations	Advanced Premium: Premises - Operations	Advanced Premium: Products - Completed Operations
DAY CARE CENTERS OTHER THAN NOT FOR (T-001)	41715	195(T17)	9.998	INCL.	$1,950.00	INCL.
SCHOOLS FACULTY LIABILITY FOR CORPORAL (T-001)	47469	22(T35)	5.182	INCL.	$114.00	INCL.
Minimum Premium			$246.00	$0.00	Total Premium	$2,105.00	$0.00

Premium and Rate Legend
(T17) Day Care - rate per person
(T35) Schools - rate per faculty member

Location of all premises you own, rent, or control:
Refer to "Schedule of Locations"

This Schedule lists all your premises, operations and other exposures, as they exist as of the coverage effective date.

Forms and Endorsements:
Refer to "Commercial Policy Forms and Endorsement Schedule"

Total Advance Premium
$2,105.00
(This premium may be subject to adjustment.)

CG-7035 (06/90)

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DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

POLICY NUMBER: S 1940117

COMMERCIAL GENERAL LIABILITY
CG 25 03 03 97

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART SCHEDULE

SCHEDULE

Designated Construction Project(s):
EACH CONSTRUCTION PROJECT OF YOURS AWAY FROM PREMISES OWNED BY OR RENTED TO YOU.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I. and for all medical expenses caused by accidents under COVERAGE C (SECTION I), which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.

2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under COVERAGE C regardless of the number of:

   a. Insureds;

   b. Claims made or "suits" brought; or

   c. Persons or organizations making claims or bringing "suits".

3. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I). and for all medical expenses caused by accidents under COVERAGE C (SECTION I), which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and

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2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.

D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

E. The provisions of Limits Of Insurance (SECTION III) not otherwise modified by this endorsement shall continue to apply as stipulated.

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DESIGNATED LOCATION(S)
GENERAL AGGREGATE LIMIT

POLICY NUMBER: S 1940117

COMMERCIAL GENERAL LIABILITY
CG 25 04 03 97

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART SCHEDULE

SCHEDULE

Designated Location(s):
EACH LOCATION OWNED BY OR RENTED TO YOU.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I, and for all medical expenses caused by accidents under COVERAGE C (SECTION I), which can be attributed only to operations at a single designated "location" shown in the Schedule above:

1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.

2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard". and for medical expenses under COVERAGE C regardless of the number of:

   a. Insureds;

   b. Claims made or "suits" brought;: or

   c. Persons or organizations making claims or bringing "suits".

3. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I). and for all medical expenses caused by accidents under COVERAGE C (SECTION I), which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:

1. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and

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2. Such payments shall not reduce any Designated Location General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

E. The provisions of Limits Of Insurance (SECTION III) not otherwise modified by this endorsement shall continue to apply as stipulated.

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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II — Who Is An Insured.

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

SECTION I — COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III — Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments — Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II — Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II — Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II — Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. **Exclusions**

This insurance does not apply to:

a. **Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. **Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. **Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. **Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. **Employer's Liability**

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

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(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

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(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III** — Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

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p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III — Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III — Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments — Coverages A and B.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

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g. Quality Or Performance Of Goods — Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web-sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

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(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. **Insuring Agreement**

   a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

      (1) On premises you own or rent;

      (2) On ways next to premises you own or rent; or

      (3) Because of your operations;

      provided that:

      (a) The accident takes place in the "coverage territory" and during the policy period;

      (b) The expenses are incurred and reported to us within one year of the date of the accident; and

      (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

   b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

      (1) First aid administered at the time of an accident;

      (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

      (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. **Exclusions**

   We will not pay expenses for "bodily injury":

   a. **Any Insured**

      To any insured, except "volunteer workers".

   b. **Hired Person**

      To a person hired to do work for or on behalf of any insured or a tenant of any insured.

   c. **Injury On Normally Occupied Premises**

      To a person injured on that part of premises you own or rent that the person normally occupies.

   d. **Workers Compensation And Similar Laws**

      To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

   e. **Athletics Activities**

      To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

   f. **Products-Completed Operations Hazard**

      Included within the "products-completed operations hazard".

   g. **Coverage A Exclusions**

      Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS — COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

   a. All expenses we incur.

   b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

   c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

   d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

   e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

   f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the Insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the Insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section I — Coverage A — Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II — WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

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2. Each of the following is also an insured:
   a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
      (1) "Bodily injury" or "personal and advertising injury":
         (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
         (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
         (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
         (d) Arising out of his or her providing or failing to provide professional health care services.
      (2) "Property damage" to property:
         (a) Owned, occupied or used by,
         (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

         you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
   b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
   c. Any person or organization having proper temporary custody of your property if you die, but only:
      (1) With respect to liability arising out of the maintenance or use of that property; and
      (2) Until your legal representative has been appointed.
   d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
   a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
   b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
   c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III — LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
   a. Medical expenses under Coverage C;
   b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
   c. Damages under Coverage B.

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3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

   a. Damages under Coverage **A**; and

   b. Medical expenses under Coverage **C**

   because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**

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

2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**

   a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

      (1) How, when and where the "occurrence" or offense took place;

      (2) The names and addresses of any injured persons and witnesses; and

      (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

   b. If a claim is made or "suit" is brought against any insured, you must:

      (1) Immediately record the specifics of the claim or "suit" and the date received; and

      (2) Notify us as soon as practicable.

      You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

   c. You and any other involved insured must:

      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

      (2) Authorize us to obtain records and other information;

      (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

   d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. **Legal Action Against Us**

   No person or organization has a right under this Coverage Part:

   a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

   b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

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4. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** — Coverage **A** — Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. **Premium Audit**

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. **Representations**

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

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b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. **Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. **Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. **When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

SECTION V — DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

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

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph a. above;

(2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

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if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

   a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

   b. A sidetrack agreement;

   c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

   d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

   e. An elevator maintenance agreement;

   f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

      Paragraph f. does not include that part of any contract or agreement:

      (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

      (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

         (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

         (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

      (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

   a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

   b. While it is in or on an aircraft, watercraft or "auto"; or

   c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

   but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

   a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

   b. Vehicles maintained for use solely on or next to premises you own or rent;

   c. Vehicles that travel on crawler treads;

   d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

      (1) Power cranes, shovels, loaders, diggers or drills; or

      (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

   e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

      (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

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(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

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17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

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EMPLOYMENT-RELATED PRACTICES EXCLUSION

COMMERCIAL GENERAL LIABILITY
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This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of Section **I — Coverage A — Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph **2., Exclusions** of Section **I — Coverage B — Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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EXCLUSION — COUNSELING SERVICES

COMMERCIAL GENERAL LIABILITY
CG 21 57 07 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions** of **SECTION I — COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph **2., Exclusions** of **SECTION I — COVERAGE B — PERSONAL AND ADVERTISING INJURY LIABILITY:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of advisory services or counseling with respect to such issues as mental health, crisis prevention, social services or drug and alcohol rehabilitation or similar subjects.

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EXCLUSION — YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS — WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES

COMMERCIAL GENERAL LIABILITY
CG 21 62 09 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., **Exclusions** of **Section I — coverage A — Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I — Coverage B — Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" (or "personal and advertising injury" if defined as such in your policy) arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any "insured" or to others:

(a) Computer hardware, including microprocessors;

(b) Computer application software;

(c) Computer operating systems and related software;

(d) Computer networks;

(e) Microprocessors (computer chips) not part of any computer system; or

(f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **2.a.(1)** of this endorsement

due to inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **2.a.** of this endorsement.

This exclusion does not apply to "bodily injury" occurring on any premises owned by or rented to you.

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FUNGI OR BACTERIA EXCLUSION

COMMERCIAL GENERAL LIABILITY
CG 21 67 12 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2. Exclusions** of **Section I — Coverage A — Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

B. The following exclusion is added to Paragraph **2. Exclusions** of **Section I — Coverage B — Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

4000DFS 194017155

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CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

COMMERCIAL GENERAL LIABILITY
CG 21 70 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

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EXCLUSION - MEDICAL PAYMENTS TO CHILDREN DAY CARE CENTERS

COMMERCIAL GENERAL LIABILITY
CG 22 40 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to paragraph **2.**, Exclusions of Coverage C - MEDICAL PAYMENTS (Section I - Coverages):

We will not pay expenses for "bodily injury" to any child enrolled in a day care center.

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CORPORAL PUNISHMENT

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion a. of paragraph 2., Exclusions of COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I — Coverages) is replaced by the following:

This insurance does not apply to:

a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" resulting from:

(1) The use of reasonable force to protect persons or property; or

(2) Corporal punishment to your student administered by or at the direction of any insured.

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CG 22 67 10 93

ELITEPAC
General Liability Extension
Social Services

COMMERCIAL GENERAL LIABILITY
CG 72 17 01 09

SUMMARY OF COVERAGES (Including Index)

This is a summary of the various additional coverages and coverage modifications provided by this endorsement. No coverage is provided by this summary. Refer to the actual endorsement (Pages 3 through 5) for changes affecting your insurance protection.

DESCRIPTION	PAGE FOUND
Additional Insured - Primary and Not Contributory	Page 5
Blanket Additional Insureds - Broad Form Vendors - As Required By Contract	Page 4
Cancellation Notification Extension (other than nonpayment of premium)	Page 5
Not-for-profit Members - Including Club Members	
Not-for-profit Members - as additional insureds	Page 4
Not-for-profit Members Medical Payments	Page 4
Not-for-profit Members - defined	Page 5
Damage to Premises Rented to You ($1,000,000)	Page 3
Knowledge of Occurrence, Claim, Suit or Loss	Page 4
Liberalization Clause	Page 5
Medical Payments - increased limit ($ 20,000)	Page 4
Mental Anguish Amendment (not applicable to New York)	Page 5
Non-Owned Aircraft	Page 3
Non-Owned Watercraft (under 60 feet)	Page 3
Personal and Advertising Injury	
Contractual Exclusion Amended (Excludes Advertisement)	Page 4
Discrimination and Humiliation Amendment (not applicable in New York; Excludes Advertisement)	Page 5
Products Amendment - Not-for-profit	Page 4
Supplementary Payments Amended - Bail Bonds ($2,500) and Loss of Earnings ($500)	Page 4
Temporary Workers	
Employee Definition Amended (including status as an insured)	Page 4
Employer's Liability Exclusion Amended	Page 3
Injuries or Damages by Certain Employees (co-employee damages)	Page 4
Unintentional Failure to Disclose Hazards	Page 5
Waiver of Transfer of Rights of Recovery (subrogation)	Page 4
When Two or More Coverage Parts of this Policy Apply to a Loss	Page 3

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ELITEPAC
General Liability Extension
Social Services

COMMERCIAL GENERAL LIABILITY
CG 72 17 01 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The **SECTIONS** of the Commercial General Liability Coverage Part identified in this endorsement will be amended as shown below. But, **when two or more Coverage Parts of this policy apply to a loss,** only the broadest coverage of this policy will apply, unless specifically stated otherwise within the particular amendment covering that loss.

COVERAGES - Amendments

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

EXCLUSIONS

- **Employer's Liability Amendment**

The following will be added to the **Employer's Liability** exclusion:

This exclusion also does not apply to any "temporary worker."

- **Non-Owned Watercraft**

The Aircraft, Auto or Watercraft Exclusion is amended as follows:

This exclusion does not apply to a watercraft you do not own that is less than 60 feet long, and not being used to carry persons or property for a charge. Any person is an insured who uses or is responsible for the use of such watercraft with your expressed or implied consent. But, if the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess, and subject to the **Other Insurance** provisions of this policy for Excess Insurance.

- **Non-Owned Aircraft**

The Aircraft, Auto or Watercraft Exclusion is amended as follows:

This exclusion does not apply to any aircraft, not owned or operated by any insured, that is hired, chartered or loaned with a paid crew. But, if the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess, and subject to the **Other Insurance** provisions of this policy for Excess Insurance.

- **Damage to Premises Rented to You**

The provision of **COVERAGE A** dealing with damage to premises while rented to you or temporarily occupied by you with the permission of the owner is amended as follows:

As used in this extension (only, including its use in **LIMITS OF INSURANCE**, the Declarations and the Other Insurance provisions), the term Damage shall include fire, lightning or explosion.

The Damage to Premises Rented to You Limit of **LIMITS OF INSURANCE** is amended as follows:

The Damage to Premises Rented to You Limit, for covered fire, lightning or explosion, is the higher of $1,000,000 or the amount shown in the Declarations for the Damage to Premises Rented to You Limit. This limit is the most we will pay under **COVERAGE A** for damages because of "property damage" to any one premises rented to you or temporarily occupied by you with permission of the owner, for all such "property damage" proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of the three. This Damage to Premises Rented to You Limit is subject to the Each Occurrence Limit.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

EXCLUSIONS

The exclusion of relating to liability assumed in a contract or agreement only applies to damages arising out of advertisement.

COVERAGE C. MEDICAL PAYMENTS

EXCLUSIONS

- **Any Insured Amendment**

The following is added to this section:

The exclusion applicable to any Insured does not apply to:

1. "Not-for-profit members."

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- **Product Amendment**

The exclusion applicable to the "products-completed operations hazard" does not apply to "your products" sold for use or consumption on your premises, while such products are still on your premises, if you are a not-for-profit operation.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

- **Expenses For Bail Bonds And Loss Of Earnings**

The provisions of **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B** are amended as follows:

Subject to all other provisions of this section, the limitations for expenses for bail bonds and loss of earnings are increased as follows: we will pay up to $2,500 for the cost of bail bonds, and up to $500 a day for loss of earnings because of time off from work.

WHO IS AN INSURED - Amendments

- **Not-for-Profit Organization Members**

If you are an organization other than a partnership, joint venture, or a limited liability company, and you are a not-for-profit organization, **WHO IS AN INSURED** is amended to include as additional insureds your officials, trustees, board members, insurance managers, and "not-for-profit members," but only with respect to their liability for your activities or activities they perform on your behalf.

- **Employees As Insureds Modified**

The exclusion relating to injury to a co-"employee" does not apply to injury to, or property damage to the property of, a "temporary worker" caused by a co-"employee" who is not a "temporary worker."

- **Blanket Additional Insureds - Broad Form Vendors - As Required By Contract**

WHO IS AN INSURED is amended to include as an additional insured any person or organization with whom you have agreed in writing in a contract, agreement or permit that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury" or "property damage" caused, in whole or part, by:

1. Your ongoing operations performed for that person or organization, "your product," or premises owned or used by you; but this provision does not include any architects, engineers, or surveyors with respect to any injury or damage arising out of the rendering or failure to render any professional services by or for you, including:
   a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
   b. Supervisory, inspection, architectural or engineering activities.
2. Your maintenance, operation or use of equipment, other than aircraft, "auto" or watercraft, leased to you by such person or organization. A person or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

This coverage shall be excess with respect to the person or organization included as an additional insured by its provisions; and other insurance that person or organization has shall be primary with respect to this insurance, unless this coverage is required to be primary and not contributory in the contract, agreement or permit.

The provisions of this coverage extension do not apply unless the written contract or agreement has been executed (executed means signed by the named insured and additional insured) or permit issued prior to the "bodily injury" or "property damage".

LIMITS OF INSURANCE

- **Increased Medical Payments**

The following is added to **LIMITS OF INSURANCE:**

The Medical Expense Limit under **COVERAGE C** will be $20,000, or the amount shown in the Declarations for Medical Expense Limit, whichever is higher.

All other terms and conditions of **COVERAGE C. MEDICAL PAYMENTS** remain unchanged.

COMMERCIAL GENERAL LIABILITY CONDITIONS - Amendments

- **Knowledge Of Occurrence, Claim, Suit Or Loss**

The requirements for reporting and sending claim or "suit" information to us, including provisions related to the subsequent investigation of such claims or "suits," under **Duties In The Event Of Occurrence, Offense, Claim Or Suit** do not apply until after the "occurrence" or offense is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;

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3. An "executive officer" or insurance manager, if you are a corporation;
4. Your members, managers or insurance manager, if you are a limited liability company; or
5. Your elected or appointed officials, trustees, board members, or your insurance manager if you are an organization other than a partnership, joint venture, or limited liability company.

- **Unintentional Failure To Disclose Hazards**

The following is added to **Representations:**

But, if you should unintentionally fail to disclose any existing hazards in your representations to us at the inception date of the policy, or during the policy period in connection with any additional hazards, we shall not deny coverage under this Coverage Part based upon such failure.

- **Waiver Of Transfer Of Rights Of Recovery**

We will amend the **Transfer Of Rights Of Recovery Against Others To Us** Condition to waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard," if:

1. The waiver of such rights is required in a written contract or agreement with that person or organization; and
2. The provisions of the **Blanket Additional Insureds - Broad Form Vendors - As Required By Contract** section of this form also apply to that same contract; and
3. You have assumed the liability of that person or organization in that same contract, and it is an "insured contract."

The section above only applies to that person or organization identified above, and only if the injury or damage occurs subsequent to the execution of the written contract, agreement.

If you are a "golfing facility," we will also waive any right of recovery we may have against any of your members or their guests because of payments we make for injury or damage arising out of their actions at your premises to which this Coverage Part applies. But, this provision does not apply to injury or damage that is expected or intended by your member or their guest.

- **Liberalization**

If we revise this Coverage Part to provide more coverage without additional premium charge, subject to our filed company rules, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

- **Cancellation**

For other than nonpayment of premium, the notice of cancellation condition is 60 days.

DEFINITIONS

- **Discrimination And Humiliation**

(This provision does not apply in the state of New York.) The definition of "personal and advertising injury" is amended by the addition of the following offense:

Discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:

1. Not done intentionally by or at the direction of:
   a. The insured; or
   b. Any "executive officer," director, stockholder, partner, manager or member of the insured; and
2. Not directly or indirectly related to the employment, prospective employment or termination of employment of any person or persons by any insured.
3. Not arising out of any advertisement by the insured.

- **Employee Amendment**

The definition of "employee" is replaced by the following:

"Employee" includes a "temporary worker."

- **Mental Anguish Amendment**

(This provision does not apply in New York.) The definition of "bodily injury" is amended to include mental anguish resulting from any bodily injury, sickness or disease sustained by a person. (In New York, mental anguish has been determined to be "bodily injury.")

- **Not-for-profit Members**

"Not-for-profit members" means a person who is a member of a not-for-profit organization, including clubs and churches, who receives no financial or other compensation.

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ABUSE OR MOLESTATION LIABILITY COVERAGE EXCLUSION

COMMERCIAL GENERAL LIABILITY
CG 80 29 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. The following exclusion is added to **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY 2. Exclusions:**

"Bodily injury" or "property damage" arising from or related to:

(1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

(2) The insured's:

(a) Hiring;

(b) Training;

(c) Investigation;

(d) Supervision;

(e) Reporting to the proper authorities, or failure to so report; or

(f) Retention;

of any "employee", volunteer, student-in-training or any other person or persons who commit or allegedly commit acts of physical or mental abuse of a sexual nature, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

(3) The insured's:

(a) Design;

(b) Control;

(c) Maintenance;

(d) Supervision;

(e) Inspection; or

(f) Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(4) The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(5) The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, by any "employee", volunteer, student-in-training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured;

B. The following exclusion is added to **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY 2. Exclusions:**

"Personal and advertising injury" arising from or related to:

(1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

(2) The insured's:

(a) Hiring;

(b) Training;

(c) Investigation;

(d) Supervision;

(e) Reporting to the proper authorities, or failure to so report; or

(f) Retention;

of any "employee", volunteer, student-in-training or any other person or persons who commit or allegedly commit acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

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(3) The insured's:

(a) Design;

(b) Control;

(c) Maintenance;

(d) Supervision;

(e) Inspection; or

(f) Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(4) The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(5) The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct by any "employee", volunteer, student-in-training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured;

All other terms and conditions of the coverage form remain unchanged.

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Previous Policy Number	Policy Number
S 1940117	S 1940117

ABUSE OR MOLESTATION OCCURRENCE LIABILITY COVERAGE DECLARATIONS

Entity Name: FOUR JS & A D, LLC DBA THE

Producer Name: PEOPLES UNDERWRITERS INC

Named Insured and Address

FOUR JS & A D, LLC DBA THE
690 SINGLETON RIDGE RD

CONWAY
SC, 29526-9154

Policy Period:
From: APRIL 17, 2011
To: APRIL 17, 2012

12:01 A.M. Standard Time At "your" Mailing Address Above.

THIS INSURANCE CONSISTS OF THE "ABUSE" OR "MOLESTATION" COVERAGE PART, THE DECLARATIONS PAGE, AND INCLUDES ALL ENDORSEMENTS, IF ANY LISTED BELOW.

Limits of Insurance:
Aggregate Limit: $3,000,000
Each "Abuse" or "Molestation" Limit: $1,000,000

Deductible:
Each "Abuse" or "Molestation": NONE

Business Description:
LTD LIABILITY CO

Premium: $750 **Minimum Premium:** $750

IN RETURN FOR YOUR PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE APPLICABLE TERMS, CONDITIONS, ENDORSEMENTS AND DEFINITIONS CONTAINED IN YOUR POLICY, WE AGREE TO PROVIDE THE INSURANCE COVERAGE PROVIDED BY THIS POLICY.

Forms and Endorsements applying to this coverage part and made part of this policy at time of issuance:

REFER TO "COMMERCIAL POLICY FORMS AND ENDORSEMENT SCHEDULE"

COUNTERSIGNED BY: _____ **DATE:** _____
(Authorized Representative)

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ABUSE OR MOLESTATION LIABILITY COVERAGE PART

PLEASE READ THE ENTIRE FORM CAREFULLY.

Various provisions in this coverage part restrict coverage. Read the entire coverage part carefully to determine your rights, duties and what is and is not covered.

Throughout this coverage part the words "you" and "your" refer to those Named Insured(s) shown in the Declarations of the policy to which this coverage part is attached. The words "we," "us" and "our" refer to the Company providing this insurance.

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V — DEFINITIONS.**

SECTION I — COVERAGE

ABUSE OR MOLESTATION LIABILITY COVERAGE

1. Insuring Agreement

a. We will pay those sums that the insured is legally obligated to pay as "damages" because of "abuse" or "molestation" resulting in "injury" to which this insurance applies, if the insured is obligated to pay such "damages" by reason of:

(1) The insured's:

(a) Hiring;

(b) Training;

(c) Investigation;

(d) Supervision;

(e) Reporting "abuse" or "molestation" to the proper authorities, or failure to so report; or

(f) Retention of any "employee", volunteer, student in training or any other person or persons for whom the insured is or ever was legally responsible; or

(2) The insured's:

(a) Design;

(b) Control;

(c) Maintenance;

(d) Supervision;

(e) Inspection; or

(f) Investigation of prospective tenants of your premises, premises in your control or premises you have leased to another; or

(3) The insured's failure to provide professional services or neglect of therapeutic needs arising from "abuse" or "molestation" for which coverage applies under Item **1.a.(1)** or Item **1.a.(2)** of this insuring agreement; or

(4) The insured's liability for any "employee", volunteer, student in training or any other person or persons acting within the scope of their employment, appointment or authorization by you.

We have the right and duty to defend any "suit" seeking "damages" to which this insurance applies. However, we have no duty to defend the insured against any "suit" seeking "damages" to which this insurance does not apply. We may, at our discretion, investigate any "abuse" or "molestation" and settle any claim or "suit" that may result.

But:

(a) The amount we will pay for "damages" is limited as set forth in **SECTION III — LIMIT OF INSURANCE;** and

(b) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of "damages."

We will pay, with respect to any "suit" we defend, those "defense costs" incurred with our consent. No other obligation or liability to pay sums or perform acts or services is covered by this coverage part.

Our obligation to pay for "damages" applies only to the amount of "damages" in excess of any deductible amount shown in the Declarations. The deductible applies separately to each "abuse" or "molestation." Upon our request you will reimburse us for any amounts that we have paid that are within the applicable deductible.

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b. This insurance applies only if:

(1) The "abuse" or "molestation" takes place in the "coverage territory"; and

(2) The "abuse" or "molestation" first takes place during the policy period of the policy to which this coverage part is attached.

2. **Exclusions**

This insurance does not apply to:

a. Liability assumed by the insured under any contract or agreement.

b. Any obligation for which an insured, or any insurance carrier of the insured, may be held liable under a workers compensation, disability benefits or unemployment compensation law or any similar law.

c. "Injury" to:

(1) An "employee," volunteer, or student in training of the insured arising out of and in the course of:

(a) Employment by or services provided to the insured; or

(b) Performing duties related to the conduct of the insured's organization; or

(2) The spouse, child, parent, brother or sister of such "employee", volunteer, or student in training as a consequence of Paragraph (1) above. This exclusion applies:

(a) Whether the insured may be liable as an employer or in any other capacity; and

(b) To any obligation to share damages with or repay someone else who must pay "damages" because of the "injury", except that this exclusion does not apply in the limited instances when such "employee" is also your client and receiving services falling within the scope of services that you provide and the claim arises out of the provision of those services.

d. Any claim made against an insured by another insured, except that this exclusion will not apply when such insured is an "employee", volunteer, or student in training of yours, who is also your client and receiving services falling within the scope of the services that you provide and the claim arises out of the provision of those services.

e. Any loss, cost or expense because of criminal charges, criminal investigations or criminal proceedings of any kind.

f. Any person who has or who is alleged to have committed or participated in or directed "abuse" or "molestation."

SECTION II — WHO IS AN INSURED

1. You are an insured.

2. Each of the following is also an insured:

a. Your directors, but only for liability arising from their duties as your directors;

b. Your board members, but only for liability arising within the scope of their duties as such;

c. An "affiliate" including the following persons but solely during the period of time the "affiliate", as defined below, is an insured; the "affiliate's" (1) directors, but only for liability arising within the scope of their duties as such; (2) board members, but only for liability arising within the scope of their duties as such; (3) "employees", but only for liability arising within the scope of their employment duties for the "affiliate"; (4) volunteers, but only for liability arising within the scope of their volunteer duties for the "affiliate"; and (5) students in training, but only for liability arising within the scope of their duties for the "affiliate".

d. Your "employees", but only for liability arising within the scope of their employment duties for you.

e. Your volunteers, but only for liability arising within the scope of their volunteer duties related to the conduct of your organization; and

f. Students in training, but only for liability arising within the scope of their duties related to the conduct of your organization.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no similar insurance available to that organization.

However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage does not apply to "damages" because of "abuse" or "molestation" before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

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SECTION III — LIMIT OF INSURANCE

1. The limit of insurance shown in the Declarations and the rules below fix the most we will pay for "damages" to which this insurance applies regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits".
2. The **EACH "ABUSE" OR "MOLESTATION" LIMIT** shown in the Declarations is the most we will pay for all "damages" as the result of any claim of "abuse" or "molestation".

   Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct committed, participated in, directed, instigated or knowingly permitted by one person or by two or more persons acting together shall be considered to be one "abuse" or "molestation" regardless of:
   a. The number of injured parties;
   b. The period of time or policy periods over which the acts took place; and
   c. The number of such actual, threatened or alleged acts.
3. The **AGGREGATE LIMIT** shown in the Declarations is, subject to Paragraph **2.** of this Section, the total limit of our liability for all "damages" to which this insurance applies.

   The Aggregate limits of this coverage part apply separately to each consecutive annual period; and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations to which this coverage part is attached; unless the policy period of the policy to which this coverage part is attached is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding annual period for purposes of determining the limit of insurance.

SECTION IV — CONDITIONS

1. **BANKRUPTCY**

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

1. **Duties In the Event of an Incident, Claim or Suit**
   a. You must see to it that we are notified as soon as practicable, but in no event later than 90 days after you become aware of an incident or potential incident of "abuse" or "molestation". You must also see to it that if a claim is made or "suit" is brought against any insured, we receive written notice of the claim or "suit" as soon as practicable, but in no event later than 90 days after the claim is made or "suit" is brought.
   b. You and any other involved insured must:
      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
      (2) Authorize us to obtain records and other information;
      (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit" including the release of any personnel records of the person(s) allegedly involved in the "abuse" or "molestation"; and
      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of "abuse" or "molestation" to which this insurance may also apply.
   c. No insureds will, except at their own cost, and without recourse to this coverage part, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
3. **Legal Action against Us**

   No person or organization has a right under this coverage part:
   a. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
   b. To sue us on this coverage part unless all of its terms have been fully complied with.

   A person or organization may sue us to recover as a result of an "agreed settlement" or on a final judgment against an insured obtained after an actual trial, but we will not be liable for "damages" that are not payable under the terms of this coverage part or that are in excess of the applicable limit of insurance.

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4. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this coverage part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. **Excess Insurance**

If any insured has other insurance directly or indirectly providing coverage for "damages" also covered by this coverage part, then this insurance shall be excess over and shall not contribute with such other insurance except where such insurance is specifically designated as excess to this coverage part.

When this insurance is excess, we will have no duty to defend any "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of covered loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; plus

(2) The total of all deductible and self-insured amounts under this insurance and all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision.

c. **Method of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limit of insurance of all insurers.

5. **Premium and Records**

a. We will compute all premiums for this insurance in accordance with our rules and rates.

b. The first named insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. **Representations**

By accepting this coverage part you agree:

a. The statements in the Declarations and in the application for insurance are accurate and complete.

b. Those statements are based upon representations made by the insureds upon reasonable inquiry; and

c. We have issued this coverage part in reliance upon those representations.

7. **Separation of Insureds**

Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. **Transfer or Rights of Recovery against Others to Us**

If the insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will institute legal proceedings or transfer those rights to us and help us enforce them.

9. **Two or More Coverage Parts or Policies Issued By Us**

It is our intention that the various coverage parts or policies issued to you by us, or any company affiliated with us, do not provide any duplication or overlap of coverage. We have exercised diligence to draft our coverage parts and policies to reflect this intention, but if the facts and circumstances of any claim or "suit" give rise to actual or claimed duplication or overlap of coverage then, notwithstanding the other insurance provision in this coverage part, if this coverage part and any other coverage part or policy issued to the insured by us, or any company affiliated with us, apply to facts and circumstances that in any way include "abuse" or "molestation", the limit of insurance under all such coverage parts or policies combined shall not exceed the applicable limit of insurance stated in the Declarations of this coverage part.

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This condition does not apply to any Excess or Umbrella policy issued by us specifically to apply as excess insurance over this coverage part or policy to which this coverage part is attached.

10. When We Do Not Renew

If we decide not to renew this coverage part or the policy to which this coverage part is attached, we will mail or deliver to the first named insured shown in the Declarations of the policy to which this coverage part is attached written notice of the nonrenewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Affiliate" means those entities existing on or prior to the effective date of this Coverage Part of which you are the majority owner on or prior to the effective date of this Coverage Part but solely for so long as you remain the majority owner. After the date of the sale of your majority ownership interest or upon dissolution of any "affiliate", the "affiliate" and all included persons under **SECTION II – WHO IS AN INSURED** shall cease to be "affiliates" and insureds.
2. "Agreed settlement" means a settlement and release of liability signed by the insured and the claimant or the claimant's legal representative and approved by us.
3. "Abuse" or "molestation" means each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together.

   Each, every and all actual, threatened or alleged acts of "abuse" or "molestation" or mental abuse, sexual abuse, sexual molestation or sexual misconduct committed, participated in, directed, instigated or knowingly permitted by one person or by two or more persons acting together shall be considered to be one "abuse" or "molestation" regardless of:

   a. The number of injured parties;
   b. The period of time or policy periods over which the acts took place; and
   c. The number of such actual, threatened, or alleged acts.

   "Abuse" or "molestation" comprising more than one act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct shall be deemed to take place at the time of the first such incident, act or encounter
4. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
5. "Damages" means a monetary:
   a. Judgment;
   b. Award; or
   c. "Agreed settlement" means a settlement and release of liability signed by the insured and the claimant or the claimant's legal representative and approved by us. But it does not include fines, sanctions, penalties, punitive or exemplary damages or the multiple portion of any damage award.
6. "Defense Costs" means reasonable attorney's fees and related litigation costs to defend any "suit" seeking "damages" to which this coverage part applies. "Defense Costs" also includes the following:
   a. All expenses we incur.
   b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which this coverage part applies. We do not have to furnish these bonds.
   c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
   d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "suit", including actual loss of earnings up to $300 a day because of time off from work.
   e. All costs taxed against the insured in the "suit".
   f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
   g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

   These payments will not reduce the limits of insurance.
7. "Employee" includes a "leased worker" or a "temporary worker".
8. "Injury" means physical injury to a person, sickness, disease or emotional distress, mental anguish, or death resulting there from.

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9. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your organization.

10. "Suit" means a civil proceeding in which "damages" are sought for "abuse" or "molestation" to which this insurance applies. "Suit" also includes:

    a. An arbitration proceeding in which such "damages" are claimed and to which the insured must submit or does submit with our consent; or

    b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent.

11. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

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INNOCENT EMPLOYEE, VOLUNTEER AND STUDENT-IN-TRAINING LIMITED CIVIL EXPENSE COVERAGE

ABUSE AND MOLESTATION
AM 00 02 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

ABUSE OR MOLESTATION COVERAGE PART

1. INNOCENT EMPLOYEE, VOLUNTEER AND STUDENT-IN-TRAINING LIMITED CIVIL LEGAL EXPENSE COVERAGE

I. Insuring Agreement

Subject to the limits shown below, we will also pay "civil legal expenses" in those "suits" against a "named party" until either:

1. In a civil proceeding, the "named party," in any way, admits or is adjudicated to be culpably responsible for the "abuse" or "molestation" including but not limited to having an adjudication that the "named party" committed, participated in, directed the "abuse" or "molestation"; or
2. In a criminal or quasi-criminal proceeding, the "named party," has been convicted or entered a guilty plea or nolo contendre plea to a criminal or quasi-criminal charge, establishing intent or any of the acts of commission or omission that may be relied upon by the plaintiffs to establish culpability of the "named party" for the "abuse" or "molestation" in a "suit".

We will not pay for "civil legal expenses" in connection with any appeal from a judgment.

II. Limit of Liability

Our obligations under this Endorsement are limited as described below under **Employee, Volunteer or Student-In-Training Civil Legal Expense Costs Limitations.**

III. Conditions

Our obligations pursuant to this Endorsement are conditioned upon the "named party" agreeing in writing to:

(a) Cooperate with us in the investigation of "civil legal expenses" we are asked to pay;

(b) Notify any other insurer whose coverage may be available to the "named party;"

(c) Cooperate with us with respect to coordinating other applicable insurance available to the "named party;"

(d) Acknowledge that we will no longer be obligated to pay the "named party's" "civil legal expenses" after we have paid or tendered the applicable limit set forth below;

(e) Retain and cooperate with defense counsel of the "named party's" choice to defend against the "suit;"

(f) Not contest our decision to terminate our obligation to fund "civil legal expenses" when we have paid or tendered the limits set forth below; and

(g) Agree to reimburse us in the event we make any payments that exceed the limit of our "civil legal expenses" obligation set forth below, but in no event shall we be obligated to make those payments.

2. For the purposes of **SECTION I** of this Endorsement, **INNOCENT EMPLOYEE, VOLUNTEER AND STUDENT-IN-TRAINING LIMITED CIVIL LEGAL EXPENSE COVERAGE**, application of Exclusion **f.** of the Sexual Abuse or Molestation Coverage Form is suspended until such time as our obligations under this Endorsement are terminated in accordance with the terms of this Endorsement.

3. **INNOCENT EMPLOYEE, VOLUNTEER AND STUDENT-IN-TRAINING CIVIL LEGAL EXPENSE LIMITATIONS**

The Employee, Volunteer and Student-in-Training Civil Legal Expense Policy Aggregate Limit shown below is the most we will pay for all "civil legal expenses" under this Endorsement, regardless of the number of Sexual Abuse or Molestation claims covered during the policy period.

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Subject to the Employee, Volunteer and Student-in-Training Civil Legal Expense Policy Aggregate Limit below, the Each Employee, Volunteer and Student-in-Training Civil Legal Expense Limit shown below is the most we will pay under this Endorsement for all "civil legal expenses" for any one "named party."

Employee, Volunteer and Student-in-Training Civil Legal Expense Policy Aggregate Limit: $250,000.00

Each "Named Party" Civil Legal Expense Limit: $ 50,000.00

Upon our payment of the "Employee, Volunteer and Student-in-Training Civil Legal Expense Policy Aggregate Limit" or the "Each "Named Party" Civil Legal Expense Limit," as the case may be, our obligation under this Endorsement shall immediately terminate and we shall not be responsible for, nor do we assume, the obligation to continue paying "civil legal expenses." The "named party" shall promptly reimburse us for any payments we make, or may be required to make pursuant to this Endorsement, to the extent that they exceed the limits set forth above.

4. Solely for purposes of this Endorsement, the following definitions are added to **SECTION V — DEFINITIONS**, contained in the "Abuse" Or "Molestation" Coverage Part:

   "Civil legal expenses" means reasonable attorney's fees, related litigation costs and fees to defend against a "suit";

   "Named party" means an "employee", volunteer or student-in-training of the first named insured who is alleged to have committed, participated in or directed "abuse" or "molestation" for which coverage would be provided to the first named insured for such "suit" under the "Abuse" or "Molestation" Coverage Part.

All other terms, definitions and conditions of the Abuse or Molestation Coverage Part remain unchanged.

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SOUTH CAROLINA CHANGES — CANCELLATION AND NONRENEWAL

ABUSE OR MOLESTATION
AM 00 27 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

ABUSE OR MOLESTATION LIABILITY COVERAGE PART

A. Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. 30 days before the effective date of cancellation if we cancel for: (1) material misrepresentation of fact which, if known to the company, would have caused the company not to issue the policy (2) substantial change in the risk assumed, except to the extent that the insurer should reasonably have foreseen the change or contemplated the risk in writing the policy; (3) substantial breaches of contractual duties, conditions, or warranties; or (4) loss of our reinsurance covering all or a significant portion of the particular policy insured or when continuation of the policy would imperil the insurer's solvency.

3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

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

7. Cancellation Of Policies In Effect For less then 120 Days

If this policy has been in effect for 120 days or less, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

a. Nonpayment of premium;

b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

c. Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;

d. Substantial breaches of contractual duties, conditions or warranties; or

e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this item **e.**, we will notify the Commissioner, in writing, at least sixty days prior to such cancellation and the Commissioner will, within thirty days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, at least 90 days before:

a. The expiration date of this policy, if the policy is written for a term of one year or less; or

b. An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term.

However, we will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Any notice of nonrenewal will state the precise reason for nonrenewal.

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CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

ABUSE OR MOLESTATION
AM 00 31 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

ABUSE OR MOLESTATION LIABILITY COVERAGE PART

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

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PROFESSIONAL LIABILITY DECLARATIONS

( ) Selective Way Insurance Company 40 Wantage Avenue, Branchville, NJ 07890 ( ) Selective Insurance Company of New York 1500 Liberty Building, Buffalo, NY 14202-3663 ( ) Selective Insurance Company of South Carolina 2250 West Tyvola Rd., Suite 400, Charlotte NC 28217	Date of Issue 04/04/2011	Issued At: SOUTHERN REGION	New Renewal X
	Policy No.: S 1940117		

Named Insured: FOUR JS & A D, LLC DBA THE

Address: 690 SINGLETON RIDGE RD

(Number, Street, City): CONWAY

(County, State, Zip): SC, 29526-9154

Policy Period:	Standard Time At "Your" Mailing Address Above	12:01 A.M.	From: 04/17/2011 To: 04/17/2012

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 COVERAGE STATED IN THIS POLICY.

Representative Agent: PEOPLES UNDERWRITERS INC
Agent No.: 00-08095-00000

Form of Business ☐ Individual ☒ Limited Liability Company ☐ Partnership ☐ Joint Venture
☐ Organization (Other than Limited Liability Company, Partnership or Joint Venture)

Description of Operations:

Limits of Insurance — Policy Aggregate Limit $3,000,000
Each Incident Limit $1,000,000

Forms and Endorsements Attached To This Policy:
PL 02 49 9812, SS 00 01 0701, SS 00 09 9901, SS 00 10 9901, SS 00 24 0207,
SS 00 39A 0601, SS 00 47 1003, SS 00 49 1006, SS 21 62 9901,

Premium: $625

Countersigned By: (Authorized Representative) Date: 04/17/2011

D/B - 10

SS 00 01 01 07

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SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY

QUICK REFERENCE

READ YOUR POLICY CAREFULLY

	Beginning on page
DECLARATION PAGE	
Name Insured and Mailing Address	
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SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a named insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **Section II — Who Is An Insured.**

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

Section I — Coverage

SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY

1. Insuring Agreement

A. We will pay those sums that the insured becomes legally obligated to pay as "damages" to which this insurance applies. We have the right and duty to defend any "suit" seeking those "damages." However, we will have no duty to defend the insured against any "suit" seeking "damages" to which this insurance does not apply. We may at our discretion, investigate any "professional incident" and settle, subject to **Section IV, CONDITION 11,** any claim or "suit." But

(1) The amount we will pay for "damages" is limited as described in **Section III, Limits of Insurance;** and

(2) Our right and duty to defend end when we have used up our applicable limit of insurance in the payment of judgements or settlement

B. This insurance applies to "damages" only if:

(1) The "damages" result from a "professional incident" that takes place in the "coverage territory"; and

(2) The "professional incident" occurs during the policy period.

2. Exclusions

This insurance does not apply to "damages":

1. Expected or intended from the standpoint of the Insured.
2. For any actual or alleged breach of contract or agreement. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement.
3. Arising out of the operation of any hospital, sanitarium, medical clinic, or any other medical facility or laboratory.
4. Arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."
5. Arising out of the prescription, utilization, furnishing, or dispensing of drugs or medical, dental or nursing supplies or appliances, except as directed by a physician and in the normal practice as a social service organization provider.
6. Arising out of the furnishing or failure to furnish professional services, including but not limited to an attorney, architect, engineer, accountant, real estate or investment manager; anesthesiologist, nurse anesthetist, nurse midwife, x-ray therapist, radiologist, chiropodist, chiropractor and veterinarian.
7. Arising out of the furnishing or failure to furnish professional services by a physician, dentist, psychiatrist, nurse practitioner or optometrist.

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However, with respect to you and your "employees" only, this exclusion does not apply to services performed by those noted in paragraph 7. above, provided that all of the following conditions are met:

a. Such professional is not your "employee" or volunteer;

b. You have current documentation of the credentials of such professional; and

c. You have current written confirmation of malpractice insurance covering such professional.

8. Arising out of membership in a formal accreditation or similar professional board or committee or any hospital or professional society.

9. Arising out of injury to an insured, or any consequential injury to the spouse, child, parent, brother or sister of that insured.

This exclusion applies:

a. Whether the insured may be liable as an employer or in any other capacity; and

b. To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

10. Arising out of any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.

11. Arising out of any claim made by:

a. A person because of any:

(1) Refusal to employ that person;

(2) Termination of that person's employment; or

(3) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

b. The spouse, child, parent, brother, sister or any other legal relative or legal guardian of that person as a consequence of any "damages" or injury to that person at whom any of the employment-related practices described in paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share "damages" with or repay someone else who must pay "damages."

12. Arising from "advertising injury" or "personal injury."

However, this exclusion does not apply to "personal injury" when the offense is directly resulting from a "professional incident" and the "personal injury" does not arise out of:

a. Oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;

b. Oral or written publication of material, whose first publication took place before the beginning of the policy period; or

c. The willful violation of a penal statute or ordinance committed by or with the consent of the insured.

13. Arising out of damage to property:

a. Owned, occupied, or used by any insured;

b. Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by any insured;

c. Which is or was in the possession of any insured or any person acting on behalf of any insured; or

d. That is real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are or were performing operations.

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14. Arising out of any:

    a. "Pollution hazard";

    b. "Nuclear hazard";

    c. "Asbestos hazard";

    d. "Lead hazard".

15. Arising out of actual or alleged discrimination.

16. Arising out of unfair competition or violation of any anti-trust laws.

17. Arising out of the inability or failure of the insured or others to collect or pay money.

18. Arising out of an insured gaining any personal profit or advantage to which they are not legally entitled.

19. Arising out of liability under the Employment Retirement Income Security Act of 1974 and any amendments to the law, or any similar federal or state law.

20. Arising out of any criminal, dishonest, fraudulent or malicious act or omission. This exclusion does not apply to any insured who did not:

    a. Personally participate in committing any such act; or

    b. Remain passive after having personal knowledge of any such act or omission.

21. Arising out of any claim made or "suit" brought against an insured by another insured.

22. Arising out of acts, errors or omissions of a managerial or administrative nature.

23. Arising out of:

    a. The actual or threatened abuse or molestation by anyone or any person while in the care, custody or control of any insured; or

    b. The negligent:

        (1) employment;

        (2) investigation;

        (3) supervision;

        (4) reporting to the proper authorities, or failure to so report; or

        (5) retention

    of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by a. above.

SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur including defense costs.

2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to $500. a day because of time off from work.

4. All costs taxed against the insured in the "suit."

5. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

Section II — Who Is an Insured

1. You are an insured. Your "executive officers," and directors are insureds, but only with respect to their duties as your officers or directors.

2. Each of the following is also an insured:

    a. Your "employees," other than your "executive officers," but only for acts within the scope of their employment by you or while performing duties related to the conduct of your organization.

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b. Your volunteers, but only for acts within the scope of their duties related to the conduct of your organization; and

c. Students in training, but only for acts within the scope of their duties related to the conduct of your organization.

However, no "employee," volunteer or student in training is an insured for:

(1) "Damages" arising out of injury to you or to another "employee," volunteer, or student in training while in the course of his or her employment or while performing duties related to the conduct of your organization;

(2) The spouse, child, parent, brother, sister, or any other legal relative or legal guardian of that "employee," volunteer, or student in training as a consequence of paragraph (1) above;

(3) For which there is any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury described in paragraph (1) or (2) above;

(4) "Damages" arising out of furnishing or failing to furnish professional health care services as a physician or dentist, or as a person responsible for the supervision of any of the above named professionals;

(5) "Damages" arising out of furnishing or failing to furnish professional services or advice as an attorney, accountant, architect, engineer, or as a person responsible for the supervision of any of the above named professionals; or

(6) Damage to property owned, occupied by, rented to or loaned to you or any of your "employees," volunteers or students in training.

d. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization.

However:

(1) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

(2) Professional Liability Coverage does not apply to a "professional incident" that occurred before you acquired or formed the organization.

Section III — Limits of Insurance

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

   a. Insureds;

   b. Claims made or "suits" brought; or

   c. Persons or organizations making claims or bringing "suits."

2. The Aggregate Limit is the most we will pay for all "damages" to which this insurance applies.

3. Subject to 2. above, the Each Professional Incident Limit is the most we will pay for the sum of all "damages" arising out of the same "professional incident" to which this insurance applies.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

Section IV — Conditions

1. **Bankruptcy**

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

2. **Your Authority and Duties**

   This first Named Insured shown in the Declarations agrees to act on behalf of all insureds with respect to cancellation, notice of any "professional incident" claim or "suit," payment or return of any premium, or consent to a claim settlement that we recommend. Each insured by accepting this insurance, agrees to:

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a. Have the first Named Insured act for them in such matters; and

b. Promptly notify the first Named Insured, in writing, of any "professional incident" which may result in a claim or any claim or "suit" brought against them.

3. **Duties In the Event of Professional Incident, Claim or Suit**

a. You must see to it that we are notified as soon as practicable of a "professional incident" which may result in a claim. To the extent possible, notice should include:

(1) All available information about the circumstances concerning the "professional incident" including:

(a) How, when and where it took place; and

(b) The names and addresses of any witnesses and persons seeking "damages"; and

The nature of any injury or damage.

However, even when you notify us of a "professional incident," this does not relieve you of your obligation to also notify us of any resulting claim or "suit."

b. If a claim or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" immediately.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

(5) In no way jeopardize our rights after a "professional incident."

d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. **Legal Action Against Us**

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all such other insurance by the method described in paragraph **c.** below.

b. **Excess Insurance**

This insurance is excess over any of the other insurance whether primary, excess, contingent or on any other basis if:

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(1) Your "employee" or volunteer has other insurance covering his or her professional liability.

(2) You have purchased insurance from a company other than us or a company affiliated with us which is more specific than this insurance.

When this insurance is excess, we will have no duty to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible(s) and self-insured amounts under all such other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part by the method described in paragraph c. below.

c. Method of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

6. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

8. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each Insured against whom claim is made or "suit" is brought.

9. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer those rights to us and help us enforce them.

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10. Governmental Immunity

If you are a public institution, you may be entitled to Governmental Immunity. This Coverage Part does not constitute a waiver of any Governmental Immunity to which you are entitled.

11. Settlement

If the first Named Insured or "Executive Officer" refuses to consent, within a reasonable period of time, to any settlement offer we recommend and elect to contest

The claim or continue any legal proceedings in connection with such claim then, subject to the provisions of Section II, Limits of Insurance, our liability for the claim will not exceed the amount for which the claim could have been settled, plus the cost of defense incurred by us up to the date of such refusal.

12. Two or More Coverage Parts or Policies Issued by Us

It is our stated intention that the various coverage parts or policies issued to you by us, or any company affiliated with us, do not provide any duplication or overlap of coverage for the same claim or "suit." We have exercised diligence to draft our coverage parts or policies to reflect this intention, but should the circumstances of any claim or "suit" give rise to such duplication or overlap of coverage then, notwithstanding the other insurance provision, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same "professional incident," occurrence, offense, wrongful act, accident or loss, the maximum Limit of Insurance under all such coverage parts or policies combined shall not exceed the highest applicable Limit of Insurance under any one coverage part or policy.

This condition does not apply to any Excess or Umbrella Policy issued by us specifically to apply as excess insurance over this policy.

13. Cancellation

a. The "First named insured" may cancel this Coverage Part by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this Coverage Part by mailing or delivering to the "First named insured" written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice, including the reason for cancellation, to the "First named insured" at the address shown in the Policy Declarations and to the authorized agent or broker.

d. Notice of cancellation will state the effective date of cancellation. The "policy year" will end on that date.

e. If this **Coverage Part** is canceled., 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

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

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

Section V — Definitions

1. **"Advertising injury"** means injury arising out of one or more of the following offenses committed in the course of advertising your goods, products or services:

a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

b. Oral or written publication of material that violates a person's right of privacy;

c. Misappropriation of advertising ideas or style of doing business; or

d. Infringement of copyright, title or slogan.

2. **"Asbestos hazard"** means:

a. (1) Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos;

(2) The use of asbestos in constructing or manufacturing any good, product or structure;

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(3) The removal of asbestos from any good, product or structure;

(4) Any request, demand or order for the removal of asbestos from any good, product or structure; or

(5) The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

b. The investigation, settlement or defense of any claim, "suit," proceeding, "damages," loss, cost or expense excluded by a. above.

3. **"Auto"** means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment.

4. **"Coverage territory"** means:

a. This insurance, unless limited by endorsement, applies to payment for injury caused by a "professional incident" anywhere in the world, provided the original claim for such damages is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.

5. **"Damages"** means a monetary:

a. Judgment;

b. Award; or

c. Settlement,

but does not include fines, sanctions, penalties, punitive or exemplary damages or the multiple portion of any damages.

6. **"Employee"** includes a "leased worker." "Employee" does not include a "temporary worker."

7. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

8. **"Lead hazard"** means:

a. (1) Exposure to or existence of lead paint containing lead, or any other material or substance containing lead; or

(2) Manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material or substance containing lead;

Whether or not the lead is or was at any time airborne as a particulate, contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever.

b. (1) Any testing for, monitoring, cleaning up, removing, abating, containing, treating or neutralizing lead, paint containing lead, or any other substance or material containing lead or in any way responding to or assessing the effects of lead; or

(2) Any request, demand or order to test for, monitor, clean up, remove, abate, contain, treat or neutralize lead, paint containing lead, or any other substance or material containing lead, or in any way respond to, or assess the effects of lead.

c. The investigation, settlement or defense of any claim, "suit," proceeding, "damages," loss, cost or expense excluded by a. and b. above.

9. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."

10. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

11. **"Nuclear hazard"** means the existence of any nuclear reactor or device, nuclear waste storage or disposal site or any other nuclear facility, or the transportation of nuclear material, or the hazardous properties of nuclear material.

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12. **"Personal injury"** means injury, other than bodily injury, arising out of one or more of the following offenses:

    a. False arrest, detention or imprisonment;

    b. Malicious prosecution;

    c. The wrongful eviction from, wrongful entry into or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;

    d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or

    e. Oral or written publication of material that violates a person's right of privacy.

13. **"Pollution hazard"** means:

    a. (1) Any actual, alleged or threatened emission, discharge, dispersal, seepage, mitigation, release or escape of pollutants at any time; or

    (2) Any clean up of pollutants; or

    (3) Any request, demand or order for any clean up of pollutants.

    b. The investigation, settlement or defense of any claim, "suit," proceeding, "damages," loss, cost or expense excluded by **a.** above

    Pollutants include any noise, solid, semi-solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, mists, acids, alkalis, chemicals, biological and etiologic agents or materials, electromagnetic or ionizing radiation and energy, genetically engineered materials, teratogenic, carcinogenic and mutagenic materials, waste and any other irritant or contaminant.

    Waste includes any materials to be disposed, recycled, reconditioned or reclaimed.

    Clean up of includes monitoring, removal, containment, treatment, detoxification or neutralization of, testing for or response in any way to, or assessment of the effects of pollutants.

14. **"Professional incident"** means any actual or alleged negligent:

    a. Act;

    b. Error; or

    c. Omission

    arising out of the actual rendering of or failure to render professional services to others, including counseling service's, in your capacity as a social service organization. Professional services include the furnishing of food, beverages, medications or appliances in connection therewith.

    Any or all "professional incidents" arising from interrelated or series of acts, error or omissions to any one person shall be deemed to be one "professional incident" taking place at the time of the earliest "professional incident."

15. **"Suit"** means a civil proceeding in which "damages" are sought and to which this insurance applies. "Suit" also includes:

    a. An arbitration proceeding in which such "damages" are sought and to which you must submit or do submit with our consent; or

    b. Any other alternative dispute resolution proceeding in which such "damages" are sought and to which you submit with our consent.

16. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

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FUNGI OR BACTERIA EXCLUSION

SOCIAL SERVICES ORGANIZATION PROFESSIONAL LIABILITY
SS 00 24 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SOCIAL SERVICES ORGANIZATION PROFESSIONAL LIABILITY COVERAGE FORM

A. The following Exclusion is added to **SECTION I — Coverage SOCIAL SERVICES ORGANIZATION PROFESSIONAL LIABILITY**, Paragraph 2. **Exclusions:**

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

a. "Damages" which would not have occurred, in whole or part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

B. The following definition is added to **Section V — Definitions:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

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AMENDMENT — SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY COVERAGE PART

The following is added to the Exclusions section.

Exclusion 3. is re-written as follows: Arising out of the operation of any hospital, sanitarium or laboratory.

Exclusion 7. The first paragraph is re-written as follows: Arising out of the furnishing or failure to furnish professional services by a physician, dentist, psychiatrist or optometrist.

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AMENDMENT — SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY COVERAGE FORM

POLICY NUMBER:

SOCIAL SERVICE PROFESSIONAL LIABILITY
SS 00 47 03 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY COVERAGE FORM

1. **Section I — Coverage, 2. Exclusions,** Item **7.** is deleted in its entirety and is replaced as follows:
   7. Arising out of the furnishing or failure to furnish professional services by a physician, dentist, psychiatrist, nurse practitioner or optometrist.

      However, this exclusion does not apply to you or your "employees," who do not engage in administering professional services performed by those enumerated in the preceding paragraph, but only if the following conditions are met:

      a. You have current documentation of the credentials of the professionals enumerated in Paragraph **7.**, above; and

      b. You have current written confirmation of malpractice insurance covering the professionals enumerated in Paragraph **7.**, above.
2. **Section II — Who Is An Insured,** Paragraph **(4)** is deleted in its entirety and replaced as follows:

   (4) "Damages" arising out of furnishing or failing to furnish professional health care services as physician, dentist, psychiatrist, nurse practitioner or optometrist;
3. All other terms and conditions of the coverage form remain unchanged.

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ABUSE OR MOLESTATION LIABILITY COVERAGE EXCLUSION

SOCIAL SERVICE PROFESSIONAL LIABILITY
SS 00 49 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SOCIAL SERVICE PROFESSIONAL LIABILITY COVERAGE FORM

A. Exclusion **23.** of the **SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY COVERAGE FORM** is deleted in its entirety and replaced as follows:

23. Arising from or related to:

(1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

(2) The insured's:

(a) Hiring;

(b) Training;

(c) Investigation;

(d) Supervision;

(e) Reporting to the proper authorities, or failure to so report; or

(f) Retention;

of any "employee", volunteer, student in training or any other person or persons who commit or allegedly commit acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

(3) The insured's:

(a) Design;

(b) Control;

(c) Maintenance;

(d) Supervision;

(e) Inspection; or

(f) Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(4) The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(5) The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, by any "employee", volunteer, student in training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured.

All other terms and conditions of the coverage part remain unchanged.

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EXCLUSION — YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS

SOCIAL SERVICE ORGANIZATION
PROFESSIONAL LIABILITY
SS 21 62 01 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SOCIAL SERVICE ORGANIZATION PROFESSIONAL LIABILITY

The following exclusion is added to **Section I — Coverage** Social Service Organization Professional Liability, Paragraph **2. Exclusions:**

23. Arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any "insured" or to others:

(a) Computer hardware, including microprocessors;

(b) Computer application software;

(c) Computer operating systems and related software;

(d) Computer networks;

(e) Microprocessors (computer chips) not part of any computer system; or

(f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **23.a.(1)** of this endorsement

due to inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **23.a.** of this endorsement.

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SOUTH CAROLINA CHANGES — CANCELLATION AND NONRENEWAL

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

PROFESSIONAL LIABILITY COVERAGE PART

A. Paragraphs **a.** and **b.** of the CANCELLATION Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

   b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

B. The following is added to the CANCELLATION Common Policy Condition:

7. CANCELLATION OF POLICIES IN EFFECT FOR 90 DAYS OR MORE

   If this policy has been in effect for 90 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

   a. Nonpayment of premium;

   b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

   c. Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;

   d. Substantial breaches of contractual duties, conditions or warranties; or

   e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

   Prior to cancellation for reasons permitted in this item **e.**, we will notify the Commissioner, in writing at least sixty days prior to such cancellation and the Commissioner will, within thirty days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, at least 30 days before:

   a. The expiration date of this policy, if the policy is written for a term of one year or less; or

   b. An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term.

   However, we will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Any notice of nonrenewal will state the precise reason for nonrenewal.

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Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Business of Named Insured: DAY CARE

Item Two - SCHEDULE OF COVERAGES AND COVERED AUTOS. This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

Coverage Schedule

Coverages	Covered Autos Symbols	Limit The Most We Will Pay for Any One Accident or Loss	Premium
Liability	1	$1,000,000 CSL	$1,576.00
Personal Injury Protection (or First Party Benefits)		Separately stated in each P.I.P Endorsement	
Added Personal Injury Protection (or Added First Party Benefits)		Separately stated in each P.I.P Added Endorsement	
Auto Medical Payments	2	$5,000	$86.00
Uninsured Motorists	2	$1,000,000 CSL	$66.00
Underinsured Motorists	2	$1,000,000 CSL	$136.00
Physical Damage Comprehensive Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus any applicable deductible shown on the Auto Schedule for Each Covered Auto for all Loss except Fire or Lightning.	$62.00
Physical Damage Specified Causes of Loss Coverage		Actual Cash Value or Cost of Repair, whichever is less minus $25 deductible for Each Covered Auto for Loss caused by Mischief or Vandalism.	
Physical Damage Collision Coverage	7	Actual Cash Value or Cost of Repair, whichever is less minus the applicable deductible shown on the Auto Schedule for Each Covered Auto.	$66.00
Physical Damage Towing and Labor Coverage		for Each Disablement of a Private Passenger Auto.	
Hired Auto and Non-Owned Auto Coverage			INCL.

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Auto Schedule

No.	Trade Name	Year	Body Type Truck Size	Vehicle Id. No. (VIN)	Size Class	Use/Class/Radius Code	List Symbol	Purchased by Insured Year	Purchased by Insured N/U	Cost
SC 1	CHEV	95	12 PASSENG	1GBHG31K9SF121727		615200/L				$15,000
SC 2	CHEV	95	12 PASSENG	1GDHG31Y8SF522116		615200/L				$15,000

No.	Terr.	Liability Insurance Premium	P.I.P. or F.P.B.	Add. P.I.P. or F.P.B	Med. Paymts. Prem.	Um & Uim Motorists Premium	Physical Damage Insurance: Comprehensive Ded.	Comprehensive Prem.	Specified Causes of Loss	Collision Ded.	Collision Prem.	Towing Prem.
SC 1	177	686			43	101	1,000	31		1,000	33	
SC 2	177	686			43	101	1,000	31		1,000	33	
Totals $		1,372			86	202		62			66	

Item Three - Schedule of Covered Autos You Own (see Auto Schedule) - Loss Payees Subject to Loss Payable Clause:

Vehicle No.	Name and Address of Loss Payee

Forms and Endorsements:

Refer to "Commercial Policy Forms and Endorsement Schedule"

Total Premium $2,032.00

(This premium may be subject to adjustment.)

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Previous Policy Number	Policy Number
S 1940117	S 1940117

BUSINESS AUTOMOBILE COVERAGE DECLARATION (Continued)

Policy Effective Date: APRIL 17, 2011	Coverage Effective Date: APRIL 17, 2011

Item Four - Schedules of Hired or Borrowed Covered Auto Coverage and Premiums. Liability Insurance - Rating Basis, Cost of Hire

State	Estimated Cost of Hire for Each State	Rate per Each $100 Cost of Hire	Minimum Premium	Premium
SOUTH CAROLINA	IF ANY	1.196	$80.00	$80.00
			Total Premium	$80.00

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners employees or their family members). Cost of hire does not include charges for service performed by motor carriers of property or passengers.

Physical Damage Coverage

Coverages	Limit of Insurance	Estimated Annual Cost of Hire	Rate per Each $100 Annual Cost of Hire	Premium
Comprehensive	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto For all Loss Except Fire or Lightning			
Specified Causes of Loss	Actual Cash Value, Cost of Repairs or Whichever is Less Minus $ 25 Ded. for Each Covered Auto, for Loss Caused by Mischief or Vandalism			
Collision	Actual Cash Value, Cost of Repairs or Whichever is Less Minus Ded. for Each Covered Auto			
			Total Premium	

PHYSICAL DAMAGE INSURANCE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered "auto" you hire or borrow is deemed to be a covered "auto" you own.

Item Five - Schedule for Non-Ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees	0 - 25	$124.00
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
		Total Premium	$124.00

Item Six - Schedule for Gross Receipts or Mileage Basis - Liability Insurance - Public Auto or Leasing Rental Concerns -

Estimated Yearly	Rates		Premiums	
	Liability Insurance	Auto Medical Payments	Liability Insurance	Auto Medical Payments
Total Premiums				

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SOUTH CAROLINA UNINSURED MOTORISTS COVERAGE

POLICY NUMBER:

COMMERCIAL AUTO
CA 21 19 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

SCHEDULE

Limit Of Insurance: **Each "Accident"**

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

A. Coverage

We will pay in accordance with the South Carolina Uninsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".
   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

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c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. Any claim settled without our consent.

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

4. The first $200 of the amount of "property damage" to the property of each "insured" as the result of any one "accident".

5. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

6. "Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule. If the "bodily injury" or "property damage" is sustained by an individual Named Insured or any "family member" while "occupying" a covered "auto", our limit is the sum of:

a. The limit of insurance shown in the Schedule for this coverage as applicable to a covered "auto"; and

b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" or "property damage" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member", is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. The individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained in an "accident" by an individual Named Insured or any "family member" while "occupying" a vehicle not owned by that Named Insured or any "family member", the most we will pay for all damages resulting from the "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an "insured" other than an individual Named Insured or any "family member" in an "accident" in which neither such Named Insured nor any "family member" sustained "bodily injury" or "property damage", the most we will pay for all damages resulting from that "accident" is the limit of insurance shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

6. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or UnderInsured Motorists Coverage Endorsement attached to this Coverage Part.

   We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes In Conditions

1. **Other Insurance** in Business Auto and Garage Coverage Forms and **Other Insurance — Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Uninsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Uninsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The maximum recovery in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits in the same level of priority.

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c. For "property damage", this insurance is excess to all collectible insurance of any kind.

d. Except for "property damage", the reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved; and

b. Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** is replaced by the following:

a. If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us to the extent of such payment that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or loss to impair them.

b. If an "insured" has prosecuted to judgment any "suit" against anyone responsible, we will be entitled to an assignment of the judgment to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.

c. We will pay our proportionate part of any reasonable costs and expenses incurred for any recovery, including reasonable attorneys' fees. However, we reserve the right to retain an attorney of our choice to pursue a claim instead of reasonable attorneys' fees.

d. If an "insured" making a claim for "property damage" under this insurance is also entitled to insurance or other compensation for the "property damage", we will not be obligated to pay the claim until the "insured" has assigned us the rights to the compensation to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Uninsured Motorists Coverage.

5. The following Condition is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" means injury to or destruction of the property of an "insured".

4. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

a. For which neither a liability bond or policy nor cash or securities deposited with the State Treasurer provides at least the amounts required by the South Carolina Motor Vehicle Financial Responsibility Act.

b. For which neither the operator nor owner can be identified and that hits or that causes an "accident" resulting in "bodily injury" or "property damage" without hitting an individual Named Insured or a "family member", a vehicle that an individual Named Insured or any "family member" are "occupying", the Named Insured's covered "auto" or any of such Named Insured's property.

The facts of the "accident" must be corroborated by competent evidence of an eyewitness other than the owner or operator of the vehicle that an individual Named Insured or any "family member" were "occupying" at the time of the "accident". The eyewitness must sign an affidavit attesting to the truth of the facts of the "accident" contained in the affidavit.

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c. For which an insuring or bonding company successfully denies coverage, is or becomes insolvent, is in delinquency proceedings, suspension or receivership, or is proven unable to respond to a judgment.

d. For which the owner has not qualified as a self-insurer in accordance with the applicable provisions of the South Carolina Insurance Laws.

However, "uninsured motor vehicle" does not include any vehicle:

a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.

b. Owned by any governmental unit or agency unless a cause of action against that governmental unit or agency is barred by the Tort Claims Act, South Carolina Laws 1986, Ratification No. 514, Subsection 15-78-60, or by other applicable statute.

c. Designed for use mainly off public roads while not on public roads.

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SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

POLICY NUMBER:

COMMERCIAL AUTO
CA 21 88 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

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SCHEDULE

Limit Of Insurance: **Each "Accident"**

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

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".

2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":

   a. The Named Insured and any "family members".

   b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

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c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

4. "Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Underinsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:

a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and

b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and

   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance — Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

   (2) If there is applicable insurance available under the first priority:

      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

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c. For "property damage", this insurance is excess to all collectible insurance of any kind.

d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

Promptly send us copies of the legal papers if a "suit" is brought.

3. **Transfer Of Rights Of Recovery Against Others To Us** does not apply to Underinsured Motorists Coverage.

4. **Two Or More Coverage Forms Issued By Us** does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" as used in this endorsement means injury to or destruction of the Named Insured's covered "auto". However, "property damage" does not include damage to property owned by the "insured" while contained in the Named Insured's covered "auto".

4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" of any type to which a liability bond or policy applies at the time of the "accident" in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy provide a limit that is less than the amount the "insured" is legally entitled to recover as damages caused by the "accident".

However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

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BUSINESS AUTO COVERAGE FORM

COMMERCIAL AUTO
CA 00 01 03 06

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

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

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

SECTION I — COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-Fault	Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

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19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
   a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
   b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
   a. Breakdown;
   b. Repair;
   c. Servicing;
   d. "Loss"; or
   e. Destruction.

SECTION II — LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

a. You for any covered "auto".
b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
   (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

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(2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to $2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $250 a day because of time off from work.

(5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

(1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

a. An "employee" of the "insured" arising out of and in the course of:

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(1) Employment by the "insured"; or

(2) Performing the duties related to the conduct of the "insured's" business; or

b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

(1) Whether the "insured" may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. **Fellow Employee**

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. **Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. **Handling Of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. **Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. **Operations**

"Bodily injury" or "property damage" arising out of the operation of:

a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or

b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. **Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

(1) When all of the work called for in your contract has been completed.

(2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.

(3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. **Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

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(1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";

(2) Otherwise in the course of transit by or on behalf of the "insured"; or

(3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

SECTION III — PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

(1) The covered "auto's" collision with another object; or

(2) The covered "auto's" overturn.

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b. Specified Causes Of Loss Coverage

Caused by:

(1) Fire, lightning or explosion;

(2) Theft;

(3) Windstorm, hail or earthquake;

(4) Flood;

(5) Mischief or vandalism; or

(6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

(1) The covered "auto's" collision with another object; or

(2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage — Hitting A Bird Or Animal — Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

a. Glass breakage;

b. "Loss" caused by hitting a bird or animal; and

c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to $20 per day to a maximum of $600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $20 per day, to a maximum of $600.

B. Exclusions

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

a. Nuclear Hazard

(1) The explosion of any weapon employing atomic fission or fusion; or

(2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

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2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

   a. Wear and tear, freezing, mechanical or electrical breakdown.

   b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

   a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

   b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.

   c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.

   d. Any accessories used with the electronic equipment described in Paragraph **c.** above.

   Exclusions **4.c.** and **4.d.** do not apply to:

   a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or

   b. Any other electronic equipment that is:

      (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or

      (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph **a.** above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

   a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

   b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV — BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. **Appraisal For Physical Damage Loss**

   If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

   a. Pay its chosen appraiser; and

   b. Bear the other expenses of the appraisal and umpire equally.

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

2. **Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

(1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

(2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

(4) Authorize us to obtain medical records or other pertinent information.

(5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

(1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.

(2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.

(3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.

(4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. **Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

a. There has been full compliance with all the terms of this Coverage Form; and

b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. **Loss Payment — Physical Damage Coverages**

At our option we may:

a. Pay for, repair or replace damaged or stolen property;

b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or

c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. **Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. **General Conditions**

1. **Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. **Concealment, Misrepresentation Or Fraud**

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

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a. This Coverage Form;

b. The covered "auto";

c. Your interest in the covered "auto"; or

d. A claim under this Coverage Form.

3. **Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. **No Benefit To Bailee — Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. **Other Insurance**

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own.

(2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. **Premium Audit**

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. **Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

a. During the policy period shown in the Declarations; and

b. Within the coverage territory.

The coverage territory is:

a. The United States of America;

b. The territories and possessions of the United States of America;

c. Puerto Rico;

d. Canada; and

e. Anywhere in the world if:

(1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

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8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:
   (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
   (2) Otherwise in the course of transit by or on behalf of the "insured";
   (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

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E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or

b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
   a. Power cranes, shovels, loaders, diggers or drills; or
   b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in Paragraph 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
   a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
   b. Cherry pickers and similar devices used to raise or lower workers.

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6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

   a. Equipment designed primarily for:

      (1) Snow removal;

      (2) Road maintenance, but not construction or resurfacing; or

      (3) Street cleaning;

   b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

   c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

   1. Damages because of "bodily injury" or "property damage"; or

   2. A "covered pollution cost or expense",

   to which this insurance applies, are alleged.

   "Suit" includes:

   a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or

   b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

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SOUTH CAROLINA CHANGES

COMMERCIAL AUTO
CA 01 50 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. **Concealment, Misrepresentation Or Fraud**, General Condition **2.**, does not apply to **Section II — Liability Coverage.**

B. The Business Auto, Truckers and Motor Carrier Coverage Forms are changed as follows:

The **Expected Or Intended Injury** Exclusion is replaced by the following:

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However, this exclusion does not apply for amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.

C. The Garage Coverage Form is changed as follows:

1. **Changes in Liability Coverage**

Paragraph **a.2.(d)** of the **Who Is An Insured** Provision in **Section II — Liability Coverage** is replaced by the following:

Your customers. However, those customers are "insureds" up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.

2. The **Expected Or Intended Injury** Exclusion is replaced by the following:

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However this exclusion does not apply:

a. For amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.

b. To "bodily injury" resulting from the use of reasonable force to protect persons or property, for "garage operations" other than covered "autos".

D. **Physical Damage Coverage** is changed as follows:

No deductible applies to auto safety glass. All other Physical Damage Coverage provisions will apply.

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SOUTH CAROLINA CHANGES — CANCELLATION AND NONRENEWAL

COMMERCIAL AUTO
CA 02 30 04 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The **Cancellation** Common Policy Condition is amended as follows:

1. Paragraph **2.** is replaced by the following:

   We will mail or deliver to you and your agent written notice of cancellation, stating the reason(s) for cancellation, at the addresses shown in the policy, at least:

   a. 15 days before the effective date of cancellation if cancellation is for nonpayment of premium.

   b. 30 days before the effective date of cancellation if cancellation is for any other reason.

2. The following is added to Paragraph **4.**:

   If this policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period. However, if this policy is canceled for nonpayment of premium, the cancellation will become effective only on or after the 31st day of the policy period.

3. The following is added:

   If this policy has been in effect for more than 90 days, we may cancel this policy only for the following reasons:

   a. Nonpayment of premium;

   b. Material misrepresentation of fact, which if known to us would have caused us not to issue the policy;

   c. Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the policy;

   d. Substantial breach of contractual duties, conditions or warranties; or

   e. Loss of our reinsurance covering all or a significant part of the particular risk insured, or where continuation of the policy would imperil our solvency or place us in violation of the laws of South Carolina.

B. Nonrenewal

If we decide not to renew or continue this policy, we will mail to you and your agent written notice, stating the reason(s) for nonrenewal, at the addresses shown in the policy, at least 30 days before the end of the policy period.

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PROFESSIONAL SERVICES NOT COVERED

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

LIABILITY COVERAGE is changed by adding the following exclusions:

This insurance does not apply to:

1. "Bodily Injury" resulting from the providing or the failure to provide any medical or other professional services.
2. "Bodily Injury" resulting from food or drink furnished with these services.
3. "Bodily Injury" or "property damage" resulting from the handling of corpses.

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EMPLOYEE HIRED AUTOS

COMMERCIAL AUTO
CA 20 54 10 01

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Liability Coverage

The following is added to the **Who Is An Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

C. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto, Business Auto Physical Damage and Garage Coverage Forms Paragraph **5.d.** of the **Other Insurance — Primary And Excess Insurance Provisions** Condition in the Truckers Coverage Form and Paragraph **5.f** of the **Other Insurance — Primary and Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contact in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

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PUBLIC TRANSPORTATION AUTOS

COMMERCIAL AUTO
CA 24 02 12 93

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

LIABILITY COVERAGE for a covered "auto" licensed or used to transport the public is changed as follows:

The CARE, CUSTODY OR CONTROL exclusion does not apply to "property damage" to or "covered pollution cost or expense" involving property of the "Insured's" passengers while such property is carried by the covered "auto."

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ELITEPAC
COMMERCIAL AUTOMOBILE EXTENSION
SOCIAL SERVICES

COMMERCIAL AUTO
CA 77 60 02 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Supplemental Schedule is provided when the BUSINESS AUTO COVERAGE FORM includes the Commercial Automobile Extension Social Services endorsement **CA 77 60**. This Schedule supplements the Business Auto Declarations.

EXTENSIONS OF COVERAGE AND ADDITIONAL COVERAGES

DESCRIPTION	
Limited Liability Companies	Coverage Extension
Employees - Non-Ownership	Coverage Extension
Blanket Additional Insureds	Coverage Extension
Expenses For Bail Bonds And Loss Of Earnings	
Bail Bonds	$3,000 Limit of Insurance
Loss Of Earnings	$1,000 Per Day Limit of Insurance
Employer's Liability Amendment	Coverage Extension
Fellow Employee Amendment	Coverage Extension
Care, Custody Or Control Amendment	Coverage Extension
Towing And Labor	Coverage Extension
Glass Breakage	Coverage Extension
Hired Car Physical Damage Coverage	Coverage Extension
Auto Loan/Lease Gap Coverage	Coverage Extension
Personal Effects	$500 Limit of Insurance
Limited Physical Damage Coverage Employees Or Volunteer Workers	Coverage Extension
Additional Transportation Expenses	$60 per disablement up to a maximum $1,800 Limit of Insurance
Airbag Coverage	Coverage Extension
Expanded Audio, Visual, And Data Electronic Equipment	Coverage Extension
Physical Damage Deductible - (Radio Frequency) Vehicle Tracking System	Coverage Extension
Duties In The Event Of Accident, Claim, Suit Or Loss	Coverage Extension
Waiver Of Subrogation	Coverage Extension

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DESCRIPTION	
Multiple Deductibles	Coverage Extension
Concealment, Misrepresentation Or Fraud	Coverage Extension
Policy Period, Coverage Territory	Coverage Extension
Two Or More Coverage Forms Or Policies Issued By Us	Coverage Extension
Leased Workers As Employees	Definition
Mental Anguish	Definition
Permanently Attached Equipment	Definition
Volunteer Worker	Definition

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ELITEPAC
COMMERCIAL AUTOMOBILE EXTENSION
SOCIAL SERVICES

COMMERCIAL AUTO
CA 77 60 02 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Business Auto Coverage Form apply unless modified by the endorsement.

Amendments to **SECTION II — LIABILITY COVERAGE**

Limited Liability Companies

The following is added to **SECTION II, A. 1. — Who Is An Insured:**

d. If you are a limited liability company, you are an insured for any covered "auto." The provisions of **WHO IS AN INSURED** applicable to anyone else using a covered "auto" you own, hire or borrow, also apply to limited liability companies. Your members and managers are also "insureds" while using a covered "auto" you don't own, hire or borrow during the course of their duties for you. But, members or managers are not an insured for any covered "autos" owned by them or members of their household.

Employees - Non-Ownership

The following are added to **SECTION II, A. 1. — Who Is An Insured:**

e. Any employee of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

Blanket Additional Insureds

The following are added to **SECTION II, A. 1. — Who Is An Insured:**

f. Any person or organization with whom you agreed, because of a written contract, agreement or permit, to provide insurance such as is afforded under this Coverage Part, but only with respect to your ownership, maintenance or use of a covered "auto." This provision only applies if the written contract or agreement has been executed or permit issued prior to the "bodily injury" or "property damage."

This coverage shall be primary and not contributory with respect to the person or organization included as an "insured" under this section. Any other insurance that person or organization has shall be excess and not contributory with respect to this insurance, but this provision only applies if it is required in the written contract, agreement or permit identified in this section, and is permitted by law.

Expenses For Bail Bonds And Loss Of Earnings

The following modifies **SECTION II, A. 2. a. — Supplementary Payments:**

Paragraphs **(2)** and **(4)** of **SECTION II, A. 2. a. — Supplementary Payments** are deleted in their entirety and replaced with the following:

(2) We will pay up to the Limit of Insurance shown on the Commercial Automobile Extension Social Services Supplemental Schedule for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) We will pay up to the Limit of Insurance shown on the Commercial Automobile Extension Social Services Supplemental Schedule all reasonable expenses incurred by the "insured" at our request, including actual loss of earnings because of time off from work.

Employer's Liability Amendment

The following is added to **SECTION II, B. 4. — Exclusions:**

c. This exclusion does not apply to any "volunteer worker."

Fellow Employee Amendment

The following is added to **SECTION II, B. 5. — Fellow Employees:**

This exclusion does not apply if "bodily injury" results from the use of a covered "auto" you own or hire.

Care, Custody Or Control Amendment

The following is added to **SECTION II, B. 6. — Exclusions:**

The **Care, Custody Or Control** exclusion does not apply to property not owned by any insured, subject to the following:

1. The most we will pay under this exception for any one accident is $1,000; and
2. A deductible of $500 per accident applies to this exception.

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Amendments to **SECTION III — PHYSICAL DAMAGE COVERAGE**

Towing And Labor

The following modifies **SECTION III, A. 2. — Towing:**

SECTION III, A. 2. — Towing is deleted in its entirety and replaced with the following:

We will pay all reasonable towing and labor costs up to $75 per tow, each time a covered Private Passenger Type Vehicle, Social Service Van, Social Service Bus or Light Truck is disabled and up to $150 per disablement for Medium Weight Trucks. For labor charges to be eligible for reimbursement however, the labor must be performed at the place of disablement.

Glass Breakage

The following is added to **SECTION III, A. 3. — Glass Breakage — Hitting A Bird Or Animal — Falling Objects:**

d. If damage to glass is repaired in lieu of being replaced, no deductible will apply for repair only.

Hired Car Physical Damage Coverage

The following is added to **SECTION III, A. 4. — Coverage Extensions:**

c. If Comprehensive, Specified Causes of Loss or Collision coverage is provided by this policy, you may extend that coverage to apply to Physical Damage "loss" to hired "autos." We will provide coverage equal to the broadest coverage available to any covered "auto" shown in the Declarations. But, the most we will pay for "loss" to a hired "auto" in any one "accident" is the lesser of:

1. $75,000; or
2. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
3. The actual cost of repairing or replacing the damaged or stolen property with other property of like kind or quality. A part is of like kind and quality when it is of equal or better condition than the pre-accident part. We will use the original equipment from the manufacturer when:
   (a) The operational safety of the vehicle might otherwise be impaired;
   (b) Reasonable and diligent efforts to locate the appropriate rebuilt, aftermarket or used part have been unsuccessful;
   (c) A new original equipment part of like kind and quality is available and will result in the lowest overall repair cost;
   (d) For vehicles insured under policies written on or before December 31, 2003, the vehicle has been used no more than 15,000 miles unless the pre-accident condition warrants otherwise; or
   (e) For vehicles insured under policies written on or after January 1, 2004, the vehicle has been used no more than 20,000 miles unless the pre-accident condition warrants otherwise.

For each hired "auto" our obligation to pay "loss" will be reduced by a deductible equal to the highest deductible applicable to any owned "auto" for that coverage. No deductible will be applied to "loss" caused by fire or lightning. We will also pay up to $750 per "accident" for loss of use of the hired "auto" if it results from an "accident" for which you are legally liable. The lessor must suffer an actual financial "loss" for this coverage to apply.

Hired Car Physical Damage Coverage provided by this extension is excess over any other collectible insurance.

Auto Loan/Lease Gap Coverage

The following is added to **SECTION III, A. 4. — Coverage Extensions:**

d. If a long-term leased or financed "auto" is a covered "auto" for the Physical Damage Coverage applicable to a total "loss," and the lessor or financial institution is an additional insured under this Coverage Part, we will pay the difference between amounts you owe under the lease terms or loan terms and the amount of insurance paid the lessor or financial institution for the total "loss" of the covered "auto" minus: any payments overdue at the time of the loss; any financial penalties imposed due to wear and tear, high mileage or similar charges; any security deposits not refunded by the lessor or financial institution; any costs for credit life, health and accident, or disability insurance; any costs for extended warranties; or any carry-over balances from previous leases or loans. You are responsible for the deductible applicable to the "loss" for the covered "auto."

Personal Effects

The following is added to of **SECTION III, A. 4. — Coverage Extensions:**

e. If Comprehensive Coverage is provided on this coverage form for a covered "auto" you own and that covered "auto" is stolen, we will pay up to the Limit of Insurance shown on the Commercial Automobile Extension Social Services Supplemental Schedule, without application of a deductible, for personal effects that are stolen with that covered "auto." Personal effects do not include jewelry, tools, money or securities. This coverage is excess over any other collectible insurance.

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Limited Physical Damage Coverage — Employees Or Volunteer Workers

The following is added to **SECTION III, A. 4. — Coverage Extensions:**

f. Limited Physical Damage Coverage — Employees Or Volunteer Workers

We will pay up to $500 or the amount of the deductible under any auto policy available to your volunteer or employee, whichever is less, for any "loss" described in this section to any "auto" owned or used by a volunteer or employee while en route to and during any official duty authorized by "you". In no event will we pay for any "loss" under this Coverage to any "auto" owned, hired, or borrowed by your organization.

Additional Transportation Expenses

The following modifies **SECTION III, A. 4. a. — Transportation Expenses:**

SECTION III, A. 4. a. — Transportation Expenses is deleted in its entirety and replaced with the following:

a. We will pay up to the Maximum Limit of Insurance shown on the Commercial Auto Extension Social Services Supplemental Schedule for temporary transportation expense incurred by you because of any "losses" to covered "autos," but only if the covered "autos" carry the coverages and meet the requirements described in **1.** or **2.** below:

1. We will pay the above temporary transportation expense for total theft of a covered "auto" if you carry either Comprehensive or Specified Causes of Loss Coverage. We will only pay for such expenses incurred during the period beginning 24 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

2. For "loss" other than the total theft to a covered "auto" under Comprehensive Coverage or Specified Causes of Loss Coverage, or for any "loss" under Collision Coverage to a covered "auto." We will only pay for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the number of days reasonably required to repair or replace the covered "auto," or 30 days. This provision **2.** of this Extension does not apply while there are spare or reserve "autos" available to you for your operations.

Airbag Coverage

The following is added to **SECTION III, B. 3. a. — Exclusions:**

However, this exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

Expanded Audio, Visual, And Data Electronic Equipment

SECTION III, B. 4. — Exclusions does not apply to the following:

1. Global Positioning Systems; and

2. Equipment designed solely for the reproduction of sound and/or video, and accessories used with such equipment, provided such equipment is:

a. Permanently installed in the covered "auto" at the time of the loss;

b. Removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss";

c. Designed to be solely operated by use of the power from the "auto's" electrical system; or

d. Designed to be solely to be used in or upon the covered "auto."

Physical Damage Deductible - (Radio Frequency) Vehicle Tracking System

The following is added to **SECTION III, D. — Deductible:**

Any Comprehensive Coverage Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the vehicle is equipped with a radio frequency tracking device and that device was the method of recovery of the vehicle.

Amendments To SECTION IV — BUSINESS AUTOMOBILE CONDITIONS

Duties In The Event Of Accident, Claim, Suit Or Loss

The following is added to **SECTION IV, A. 2. a. — Duties In The Event Of Accident, Claim, Suit Or Loss:**

The notice requirements for reporting "accident," claim, "suit" or "loss" information to us, including provisions related to the subsequent investigation of such, "accident", claim, "suit" or "loss" do not apply until the "accident", claim, "suit" or "loss" is known to:

1. You, if you are an individual;

2. A partner, if you are a partnership;

3. An executive officer or insurance manager, if you are a corporation;

4. Your members, managers or insurance manager, if you are a limited liability company;

5. Your elected or appointed officials, trustees, board members, or your insurance manager, if you are an organization other than a partnership, joint venture, or limited liability company.

But, this section does not amend the provisions relating to notification of police, protection or examination of the property which was subject to the "loss."

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Waiver Of Subrogation

The following modifies **SECTION IV, A. 5. — Transfer Of Rights Of Recovery Against Us To Others:**

SECTION IV, A. 5. — Transfer Of Rights Of Recovery Against Us To Others is deleted in its entirety and replaced with the following:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the a covered "auto" only when you have assumed liability for such "bodily injury" or "property damage" under "insured contract." In all other respects, if a person or organization to or from whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred.

Multiple Deductibles

The following is added to **SECTION IV, A. — Loss Conditions:**

6. If a Comprehensive or Specified Causes of Loss Coverage "loss" from one "accident" involves two or more "covered autos," only the highest deductible applicable to those coverages will be applied to the "accident," if the cause of the loss is covered for those vehicles. This provision only applies if you carry Comprehensive or Specified Causes of Loss Coverage for those vehicles, and does not extend coverage to any "covered autos" for which you do not carry such coverage.

Concealment, Misrepresentation Or Fraud

The following is added to **SECTION IV, B. 2. — Concealment, Misrepresentation Or Fraud:**

e. If you should unintentionally fail to disclose any existing hazards in your representations to us at the inception date of the policy, or during the policy period in connection with any additional hazards, we shall not deny coverage under this Coverage Part based upon such failure.

Policy Period, Coverage Territory

The following modifies **SECTION IV, B. 7. — General Conditions:**

SECTION IV, B. 7. — Policy Period, Coverage Territory is modified as follows:

The definition of coverage territory is amended to include anywhere in the world for covered "autos" hired on a short term (30 days or less) basis. The "insured's" responsibility to pay damages must be determined in a "suit" brought in:

1. The United States of America;
2. The territories or possessions of the United States of America;
3. Puerto Rico; or
4. Canada; or

in a settlement we agree to.

Two Or More Coverage Forms Or Policies Issued By Us

The following modifies **SECTION IV, B. 8. — General Conditions:**

SECTION IV, B. 8. — Two Or More Coverage Forms Or Policies Issued By Us is deleted in its entirety and replaced with the following:

8. **Two Or More Coverage Forms Or Policies Issued By Us**

   If a "loss" covered under this Coverage Part also involves a "loss" to other property from the same "accident," which is covered under a Commercial Property or Inland Marine Coverage Part issued by us or any member company of ours for you, only the highest deductible applicable to those coverages will be applied to the "accident".

Amendments to **SECTION V — DEFINITIONS**

Leased Workers As Employees

The following is added to **SECTION V, F.:**

When used in this Coverage Part, the word "employees" includes leased workers, but does not include temporary workers. As used in this definition:

1. Leased worker means a person, other than a temporary worker, leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business; and
2. Temporary worker means a person who is furnished to you for a finite time period to support or supplement your work force in special work situations such as "employee" absences, temporary skill shortages and seasonal workloads.

The following is added to **SECTION V — DEFINITIONS:**

Q. **Mental Anguish**

(This provision does not apply in New York.) For jurisdictions other than New York, the definition of "bodily injury" is amended to include mental anguish resulting from any bodily injury, sickness or disease sustained by a person. (In New York, mental anguish has been determined to be "bodily injury.")

R. **Permanently Attached Equipment**

"Permanently attached equipment" means equipment that is welded, bolted, or permanently screwed to the dashboard, fire wall or body of the "auto." Equipment inserted on permanently installed side brackets with or without the use of setscrews or tension, or portable fire fighting and/or rescue related equipment, shall not be construed as "permanently attached equipment."

S. **Volunteer Worker**

"Volunteer worker" is a person who performs business duties for you, for no financial or other compensation.

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LIMITED MOBILE EQUIPMENT COVERAGE

COMMERCIAL AUTO
CA 77 74 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

Except for those types of vehicles listed below, a vehicle within the "mobile equipment" definition under **SECTION V — DEFINITIONS** will be treated as an "auto" solely under **SECTION II — LIABILITY COVERAGE** but only to the extent the "mobile equipment": (1) is being driven under its own power, (2) is being driven in public rights of way, and (3) is subject to a compulsory insurance or financial responsibility law or other mandatory motor vehicle insurance law in the state where it is licensed or principally garaged. This endorsement applies regardless of any Covered Auto Designation Symbol shown in the Declarations solely with respect to the "mobile equipment" described in the foregoing sentence.

This endorsement does not provide coverage for any "mobile equipment" under **SECTION III — PHYSICAL DAMAGE COVERAGE** unless that "mobile equipment" is specifically scheduled as a covered "auto" and a premium charge is made for that "mobile equipment" as a covered "auto" in the Declarations.

Recreational vehicles, snowmobiles, ATVs, off-road motorcycles or any other similar type of vehicles or "mobile equipment" shall never be treated as an "auto" under this endorsement unless the vehicle is specifically scheduled as a covered "auto" and a premium charge is made for that vehicle as a covered "auto" in the Declarations.

If any other coverage part issued by Us or any of Our insurance company affiliates, applies or is deemed by the issuing company to apply to a loss which is also covered by this endorsement, only one coverage part that applies or is deemed by the issuing company to apply will respond to the loss and provide defense.

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ABUSE OR MOLESTATION LIABILITY COVERAGE EXCLUSION

COMMERCIAL AUTO
CA 80 23 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

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

"Bodily injury", "property damage" or "covered pollution cost or expense" arising from or related to:

(1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

(2) The insured's:

(a) Hiring;

(b) Training;

(c) Investigation;

(d) Supervision;

(e) Reporting to the proper authorities, or failure to so report; or

(f) Retention;

of any "employee", volunteer, student in training or any other person or persons who commit or allegedly commit acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

(3) The insured's:

(a) Design;

(b) Control;

(c) Maintenance;

(d) Supervision;

(e) Inspection; or

(f) Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(4) The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

(5) The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, by any "employee", volunteer, student in training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured.

All other terms and conditions of the coverage form remain unchanged.

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AUTO MEDICAL PAYMENTS COVERAGE

COMMERCIAL AUTO
CA 99 03 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
   a. War, including undeclared or civil war;
   b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
   c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.

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8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance — Primary And Excess Insurance Provisions In the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

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We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy



Secretary



Chairman

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Misc-1597 (10/06)

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SOUTH CAROLINA
(STATE)

INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
S 1940117	04/17/2011	04/17/2012

YEAR	MAKE/MODEL	VEHICLE IDENTIFICATION NUMBER
1995	CHEV	1GBHG31K9SF121727

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC DBA THE
LEARNING STATION

690 SINGLETON RIDGE RD

CONWAY, SC 29526

SEE IMPORTANT NOTICE ON REVERSE SIDE

DETACH HERE

DETACH HERE

DETACH HERE

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THIS CARD MUST BE KEPT IN THE INSURED VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY 7 DAYS A WEEK AT 1-866-455-9969

THIS CARD IS PROVIDED TO ENABLE THE INSURED TO COMPLY WITH SECTION 56-10-225 OF SOUTH CAROLINA STATUTES.

THE FRONT OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

AUD-858 (8/93) ACORD 50

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SOUTH CAROLINA (STATE) **INSURANCE IDENTIFICATION CARD**

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
S 1940117	04/17/2011	04/17/2012

YEAR	MAKE/MODEL	VEHICLE IDENTIFICATION NUMBER
1995	CHEV	1GDHG31Y8SF522116

DETACH HERE

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC DBA THE
LEARNING STATION

690 SINGLETON RIDGE RD

CONWAY, SC 29526

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THIS CARD MUST BE KEPT IN THE INSURED VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY 7 DAYS A WEEK AT 1-866-455-9969

THIS CARD IS PROVIDED TO ENABLE THE INSURED TO COMPLY WITH SECTION 56-10-225 OF SOUTH CAROLINA STATUTES.

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SOUTH CAROLINA
(STATE)

INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
S 1940117	04/17/2012	04/17/2013

YEAR	MAKE/MODEL	VEHICLE IDENTIFICATION NUMBER
1995	CHEV	1GBHG31K9SF121727

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC DBA THE
LEARNING STATION

690 SINGLETON RIDGE RD

CONWAY, SC 29526

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VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY

7 DAYS A WEEK AT 1-866-455-9969

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SOUTH CAROLINA
(STATE)

INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY
SELECTIVE INSURANCE COMPANY OF S.E.

POLICY NUMBER
S 1940117

EFFECTIVE DATE
04/17/2012

EXPIRATION DATE
04/17/2013

YEAR
1995

MAKE/MODEL
CHEV

VEHICLE IDENTIFICATION NUMBER
1GDHG31Y8SF522116

AGENCY/COMPANY ISSUING CARD
SELECTIVE INSURANCE COMPANY OF S.E.
3426 TORINGDON WAY, STE 200
CHARLOTTE, NC 28277

INSURED
FOUR JS & A D, LLC DBA THE
LEARNING STATION

690 SINGLETON RIDGE RD

CONWAY, SC 29526

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100100S 1940117085

THIS CARD MUST BE KEPT IN THE INSURED VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

TO REPORT A CLAIM, PLEASE CONTACT OUR CLAIMS SERVICE CENTER 24 HOURS A DAY

7 DAYS A WEEK AT 1-866-455-9969

THIS CARD IS PROVIDED TO ENABLE THE INSURED TO COMPLY WITH SECTION 56-10-225 OF SOUTH CAROLINA STATUTES.

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THOMCO
A MARKEL COMPANY

Thompson Insurance Enterprises
P.O. Box 440549
Kennesaw, GA 30160
(800) 476-4940
www.thomcoins.com

ADDITIONAL UNDERWRITING INFORMATION

Master Quote # 2921530-001

ITEMS NEEDED IN ORDER TO BIND COVERAGE:

ITEMS NEEDED WITHIN 30 DAYS OF BINDING:

✓ 1. Signature Page of Child Care applications

✓ 2. Updated Drivers List

✓ 3. Signed Auto Acord 137

✓ 4. Markel requires the ground cover under playground fall zones to be at least 6 inches. Please confirm that the Insured will comply with this requirement.

CONFIRMED.

TH RIL 001

THOMCO
A MARKEL COMPANY

Child Care Complete Application

Submission #

Policy #

Child Care Complete
PO Box 440549 Kennesaw, GA 30160
Phone: 1-800-476-4940
www.thomcoins.com

Send Completed Application to: Fax: (678) 290-2200 or Email: New.Submissions@thomcoins.com

BASIC INFORMATION:

Named Insured: The Learning Station CDC, LLC Proposed Effective Date: 4/17/13
(If multiple named insureds, please complete the Named Insured Schedule) DBA: The Learning Station
Mailing Address: 690 Singleton Ridge Road, Conway, SC 29526
Website Address: www.thelearningstation.org Email Address:
Primary Contact Name: Donna Jensen Phone: 843-349-0108 Fax: 843-349-0110
Loss Control Contact Name: SAME Phone: Email:
Type of Entity: ☐ Corporation ☐ Individual ☐ Partnership ☐ Joint Venture ☒ LLC ☐ Other:

BUSINESS INFORMATION:

Date business started under current ownership:
If you have been in business less than 3 years include a copy of your resume, financials or a bank letter of credit.
Any operations other than childcare? ☐ Yes ☒ No If yes, explain:
Any bankruptcies, tax or credit liens against you in the last 5 years? ☐ Yes ☒ No
If yes, explain:
Does your employment application include questions regarding convictions of any crimes, including sex-related or child abuse offenses? ☒ Yes ☐ No If no, explain:
Do you conduct criminal background investigations on all employees and volunteers? ☒ Yes ☐ No
If no, explain:
Do you offer field trips? ☒ Yes ☐ No
Are any field trips overnight? ☐ Yes ☒ No If yes, please explain:
Average number of field trips each year for all locations: 7 (If more than 12, please answer the following questions:)
Is an attempt made to obtain release forms from both parents/guardians for each trip whenever possible? ☒ Yes ☐ No
Are staff to child ratios maintained or increased for trips? ☒ Yes ☐ No
Are all children required to wear an identification badge? ☒ Yes ☐ No
Please describe types of field trips:
Please explain any question answered No:
Do you want Crime coverage? ☐ Yes ☐ No (If Yes, please submit Crime Acords.)

LIABILITY LIMITS & COVERAGE (per occurrence limit/ aggregate limit):

General Liability Limit (choose one):
☒ $1,000,000 / $3,000,000 ☐ $1,000,000 / $2,000,000 ☐ $500,000/ $1,500,000 ☐ $500,000 / $500,000

Abuse Liability Limit (choose one):
☒ $1,000,000 / $1,000,000 ☐ $500,000/ $1,000,000 ☐ $500,000 / $,500,000 ☐ $100,000 / $300,000

Extension of Abuse Coverage to others: ☐ Abuse with Employees and Volunteers ☐ Abuse with Employees ☐ N/A
Do you want $5,000 of Medical Payments coverage for your childcare children? ☒ Yes ☐ No
If yes, Is there a Student Accident policy currently in effect? ☒ Yes ☐ No

Employee Benefits Liability: Retro Date: Annual WC Payroll: Deductible:
Limit: ☒ N/A ☐ $1,000,000 / $3,000,000 ☐ $1,000,000 / $ 2,000,000 ☐ $1,000,000 / $1,000,000 ☐ $500,000 / $1,500,000

Stop Gap Limit (Available in ND, OH, WA, WY only) (choose one): Total Payroll:
☒ N/A ☐ $1,000,000 / $1,000,000 / $1,000,000 ☐ $500,000 / $500,000 / $500,000 ☐ $100,000 / $500,000 / $100,000

TH APP CC INFO 042012

Submission #:

ChildCare Complete Application
Named Insured Schedule

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Name: _____
Form of Business: _____ More than 50% common ownership? ☐ Yes ☐ No

Submission #

Child Care Complete Application
Liability Information

(A Copy of this Page is Required for Each Location)

Location # 001

Location Address: 690 Singleton Ridge Road, Conway, SC 29526

Is this location a For-Profit or Not-For-Profit Organization? ☒ For Profit ☐ Not For Profit

Describe the operations at this location:

☒ Childcare Center ☐ Before/After Childcare ☐ Montessori ☐ Headstart
☐ PreK Nursery Childcare ☐ Parent CoOp Childcare ☐ No Childcare at this location
☐ Drop In Childcare Percentage of Drop In Care: ☐ 25% or less ☐ 25% to 50% ☐ 51% to 75% ☐ 76% to 100%
☐ Sick Childcare Explain care provided: _____

Which best describes the building you occupy?

☐ Basement in residence ☐ Multiple Occupancy Building ☐ Church Building ☐ Converted Dwelling
☒ Single Occupancy Building ☐ School Building ☐ Strip Mall ☐ Other: _____

Do any of the following apply to this location? Check all that apply:

☐ Building Leased to Others Square Footage Leased: _____ Is this building maintained by the Insured? ☐ Yes ☐ No
☐ Office (Separate from Childcare) Square Footage _____ Is this building occupied by the insured? ☐ Yes ☐ No
☐ School - Private - Kindergarten Number of Private School Students: _____
☐ Vacant Land Number of acres: _____
☐ Warehouse (Separate from Childcare) Square Footage _____ Type: ☐ Private ☐ Mini Warehouse
☐ Other: _____

Are all childcare operations at this location licensed? ☒ Yes ☐ No (If yes, complete the licensing supplemental and provide a copy of your license)

If no, explain: _____

Non-Licensed Childcare Average Daily Attendance: N/A

Are you accredited by NAEYC? ☐ Yes ☒ No
Are you accredited by NECPA? ☐ Yes ☒ No
Are you accredited by NAC? ☐ Yes ☒ No
Are you accredited by any other organization? ☐ Yes ☒ No If yes, explain: _____
Are your hours of operation more than six hours a day? ☒ Yes ☐ No
Do you provide overnight care? ☐ Yes ☒ No (if yes, complete the Overnight Care section of the Miscellaneous Care Supplemental)
What is your average daily number of infants (18 mths and younger)? _____
Are children with special needs cared for at this location? ☐ Yes ☒ No (if yes, complete the Special Needs section of the Miscellaneous Care Supplemental)
Do you have a swimming pool on premise? ☐ Yes ☒ No (if yes, complete the Water Activities supplemental)
Are any swim or water activities provided at any off-premises pools, oceans, lakes or water parks? ☒ Yes ☐ No (if yes, complete the Water Activities supplemental)
Is there a playground at this location? ☒ Yes ☐ No (if yes, complete the Playground supplemental)
Is this location adjacent to potentially hazardous exposures? ☐ Yes ☒ No
If yes, describe: _____
Do you sponsor any special events or fundraising events? ☐ Yes ☒ No (if yes, complete the Special Events section of the Miscellaneous Care Supplemental)

TH APP CC GL 042012

Submission #

Child Care Complete Application
Property Information
(A Copy of this Page is Required for Each Structure)

Location # 1 Building # 1

Location Address: 690 Singleton Ridge Road, Conway, SC 29526

Deductible: ☒ $1,000 ☐ $2,500 ☐ $5,000 ☐ $10,000 ☐ $25,000 ☐ $50,000

Coinsurance: ☒ 80% ☐ 90% ☐ 100%

Wind/Hail Deductible: ☐ N/A ☐ Excluded ☒ Percentage ☐ Flat

Percentage Deductible: ☐ 1% ☐ 2% ☒ 5%

Flat Deductible: ☐ $5,000 ☐ $10,000 ☐ $25,000 ☐ $50,000

Provide the purpose of this structure:

☒ Childcare Facility ☐ Building Leased to Others ☐ Office ☐ Storage ☐ Warehouse ☐ Other: _____

☒ Fence Description of Fence: ☒ Metal or Masonry ☐ Wood

☒ Sign Description of Sign: ☐ Entirely Metal ☒ Other

☒ Playground Equipment Description of Playground Equipment: ☒ Metal or Masonry ☒ Wood

☐ Awning or Canopy Description of Awning or Canopy: ☐ NonCombustible ☐ Other than NonCombustible

☐ Special Class - Other: _____

Is the building you occupy built specifically for childcare operations? ☒ Yes ☐ No

Year Built: 2000

If building is over 20 years old, has the building been updated (including roof and plumbing) within the past 20 years? ☐ Yes ☐ No

If no, please explain: _____

Construction Type:

☒ Frame ☐ Joisted Masonry ☐ Non-Combustible ☐ Masonry Non-Combustible ☐ Modified Fire Resistive ☐ Fire Resistive

Do you own the building at this location? ☐ Yes ☒ No

Is the building Sprinklered? ☐ Yes ☒ No

Building Square Footage: 9800

Is this structure a trailer, modular or prefabricated building? ☐ Yes ☒ No

Number of Stories: 1

Coverage	Limit	Valuation (RC or ACV)	Inflation Guard	Earthquake (Yes/No)
Building	1,102,500	RC		N
Personal Property of the Insured	120,000	RC		N
Tenants Improvements & Betterments				
Business Income	200,000		N/A	
Fence	25,000	RC	N/A	
Sign	10,000	RC	N/A	
Playground Equipment	30,000	RC	N/A	
Awning or Canopy			N/A	

Does a separate Business Income Coinsurance apply? Coin % _____

Business Income Monthly Limit of Indemnity: ☐ None ☐ 1/3 ☒ 1/4 ☐ 1/6

TH APP CC PROP 042012

Submission #

Child Care Complete Application
Licensing Supplemental

(A Copy of this Page is Required for Each Location)

Location # 1

Location Address: 690 Singleton Ridge Road, Conway, SC 29526

Expiration Date of License: _____

Is the license currently suspended or revoked? ☐ Yes ☒ No

Licensed Capacity: 195

Average Daily Attendance (based on twelve months): _____

Date of the most recent state inspection : _____

Are there any citations for any violations in the most recent state inspection? ☐ Yes ☒ No

If yes, Please indicate the type of State Inspections Violations that apply to the most recent inspection (check all that apply):

Background Checks: ☐ Yes ☐ No

Child to Staff Ratios: ☐ Yes ☐ No

Fire Drills: ☐ Yes ☐ No

Playground Cover: ☐ Yes ☐ No

Inappropriate Discipline of Children: ☐ Yes ☐ No

Transportation: ☐ Yes ☐ No

Any other violation which may result in the harm of a child: ☐ Yes ☐ No

If you answered yes to any of the above, explain each violation and provide corrective action taken:

_____

_____

_____

Do your Staff to Child ratios meet the following Carrier minimum ratios listed below? **(Only applies if the location is in AR, GA, KY, LA, MS, NM, TX)**

Infants 0-1 Years, Staff/Child 1:5 ☒ Yes ☐ No

Toddlers 1-2 Years, Staff/Child ratio 1:7 ☒ Yes ☐ No

Toddlers 2-3 Years, Staff/Child ratio 1:12 ☒ Yes ☐ No

Preschoolers 3-5 Years, Staff/Child ratio 1:18 ☒ Yes ☐ No

School Age 5 + Years, Staff/Child ratio 1:25 ☒ Yes ☐ No

Submission #

Child Care Complete Application
Water Activities Supplemental

Location # 1 (A Copy of this Page is Required for Each Location)

Location Address: 690 Singleton Ridge Road, Conway, SC 29526

Please select any types of "off premises" water exposure that apply:

☐ Public Pool ☒ Private Pool ☐ Wading Pool (defined as any pool with normal depth of 18 inches or less)

☐ Lake ☐ Ocean ☐ Waterpark - Number of trips to the water park per year: _____

Do you maintain the same Staff/Child ratio on trips as you do in the classroom? ☒ Yes ☐ No

Provide complete details including frequency, ages, name of venue and all safety precautions taken at all off-premises pools, oceans, lakes or water parks:

Summer fun program - Coastal Carolina University
lifeguard on duty

For on premises swimming pools:

Number of pools at this location (do not include wading pools with a normal depth under 18 inches): _____

Use of Pool: ☐ Operated year round ☐ Operated less than 12 months

If operated less than 12 months, how many months is the pool used? ☐ 3 months or less ☐ More than 3 months

If operated less than 12 months, what is the percentage of supervised activities? ☐ More than 40% ☐ 40% or less

Are all swimming pools and in-ground wading pools completely fenced with at least a four foot fence with self-locking gates? ☐ Yes ☐ No

Do all swimming pools meet Department of Environmental Resources or equivalent standards for water quality? ☐ Yes ☐ No

Do all pool drains and grates have covers in place and are they in compliance with Graeme Law? ☐ Yes ☐ No

For all water activities:

Are all activities staffed with certified life guard(s)? ☒ Yes ☐ No

Is the Staff always present at the water activities and are they trained in water safety including CPR? ☒ Yes ☐ No

Are permission slips including waiver of subrogation obtained for all children participating in the water activities? ☒ Yes ☐ No

Are children allowed to use water slides and/or diving boards? ☐ Yes ☒ No

If yes, are the water slides and/or diving boards located in a water park? ☐ Yes ☐ No

Playground Supplemental

Does the facility have its own play area? ☒ Yes ☐ No

Is the play area fenced? ☒ Yes ☐ No

Please indicate the type of surface under the play equipment:

☐ Asphalt ☐ Cement ☐ Course Sand ☒ Double Shredded Mulch ☐ Engineered Wood Fibers ☐ Fine Gravel
☐ Fine Sand ☐ Medium Gravel ☐ Shredded Tires ☐ Wood Chips ☐ Other: _____

Please select the depth of the playground surface, in inches: ☒ 1-5 inches ☐ 6-9 inches ☐ 10-12 inches

Was the equipment installed by, or has it been inspected by, someone certified in playground safety? ☒ Yes ☐ No

How often are regular maintenance and routine inspections performed on the equipment? At least:

☐ Daily ☐ Weekly ☐ Monthly ☐ Every Other Month ☒ Quarterly ☐ Semi Annually ☐ Annually

Does the center have playground equipment with a primary platform over 6 feet high and/or any apparatus over feet high? ☐ Yes ☒ No

Submission #

Location # 1

Location Address: 690 Singleton Ridge Road, Conway, SC 29526

Child Care Complete Application
Miscellaneous Care Supplemental

(A Copy of this Page is Required for Each Location)

Overnight Care Supplemental

Explain the additional hours of operations:

Is the staff required to stay awake all night? ☐ Yes ☐ No

Is the facility kept locked and well lighted? ☐ Yes ☐ No

Are only authorized persons allowed to come inside the facility and pick up children? ☐ Yes ☐ No

Are children under 5 years old allowed to sleep in the same room with older children? ☐ Yes ☐ No

Are children over 5 years old allowed to sleep in the same room with children of the opposite gender? ☐ Yes ☐ No

Are staff to child ratios maintained during the overnight hours? ☐ Yes ☐ No

Special Needs Supplemental

How many children are special needs? _____

Is someone on your staff trained to care for these children? ☐ Yes ☐ No

Is physical therapy provided? ☐ Yes ☐ No

Is an aide assigned to accompany the child? ☐ Yes ☐ No

Please describe the disabilities and special arrangements to care for these children:

TH APP CC MISC 042012

Submission #:

ChildCare Complete Application

Additional Interest Schedule

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Location #: _____
Name: _____ ☐ Additional Insured ☐ Loss Payee ☐ Both
Address: _____ City: _____ State: ____ Zip: _____
Interest is (choose one): ☐ Mortgagee ☐ Lender's Loss Payee
☐ Loss Payee ☐ Building Owner ☐ Other: _____

Submission #

Child Care Complete Application

LOSS INFORMATION

Have you had any claims or losses in the past five years? ☐Yes ☐No

(This includes both claims that you have filed with an insurance company and losses that you did not file with an insurance company.)

Have you ever had any incidents or allegations of sexual or physical abuse? ☐Yes ☐No

List all losses in the past 5 years whether or not insured(Attach additional sheet if necessary):

Date of Claim	Type of Claim	Description of Claim	Open/ Closed	Paid $	Reserve $

Is this a new venture? ☐Yes ☐No

If no, please provide information on your current insurance coverage for each line of business:

Expiring General Liability Insurance Company: _____ Expiring Premium: _____

Expiring Property Insurance Company: _____ Expiring Premium: _____

Expiring Auto Insurance Company: _____ Expiring Premium: _____

Is your current coverage being non-renewed? ☐Yes ☐No

If yes, why? ☐ Carrier no longer writing this coverage ☐ Loss History ☐ Other:

Submission #

Child Care Complete Application
Business Auto Supplement

Auto Accord applications including all state specific UM/UIM and PIP forms are also required.

FEIN/Social Security Number: _____

Are your vehicles ever used to transport persons other than your center's children? ☐Yes ☒No
If yes, explain: _____

Do you provide transportation other than to/from school/field trips? ☐Yes ☒No
If yes, explain: _____

Are all the vehicles on the vehicle schedule titled to or leased to the named insured? ☒Yes ☐No
If no, explain: _____

What is the estimated average annual mileage per vehicle? 1200

Do you allow drivers under the age of 21 to transport children? ☐Yes ☒No
If yes, explain: _____

Do you allow drivers over the age of 70 to transport children? ☐Yes ☒No
If yes, explain: _____

Which of the following controls do you have in place to prevent a child from being left in your vehicle:

Headcount at departure & return to center:	☒Yes	☐No	
Headcount upon vehicle exit:	☒Yes	☐No	
Headcount while at destination:	☒Yes	☐No	
Written procedures:	☒Yes	☐No	
Other:	☐Yes	☐No	Describe: _____

What is the estimated percentage of personal use of each vehicle used to transport your children?

☒0 to 10% ☐11% to 25% ☐26% to 50% ☐Over 50%

If over 25%, describe the personal use: _____

Questions for Private Passenger Type Vehicles Only

Is/are the Private Passenger vehicle/s used to transport children? ☐Yes ☒No

What is the estimated percentage of personal use per Private Passenger vehicle? ☒0 to 10% ☐11% to 25% ☐26% to 50% ☐Over 50%

Does the primary driver of this/these vehicle/s have their own personal auto insurance? ☐Yes ☐No

Who is the primary driver of this vehicle? N/A

Do any individuals under the age of 21 have access to this/these private passenger vehicle/s? ☐Yes ☒No

Submission #

Child Care Complete Application
Special Events Supplemental

Does your current license cover this event or do you have a special license specific to this event? ☐ Yes ☒ No

Type of Event: _____

Number of Participants: _____

What is the location of the event? _____

Planned Activities:

_____

_____

_____

Expected Revenue: _____

Length of Time: _____

Will liquor be served at the event? ☐ Yes ☐ No

Do you obtain Certificates of insurance from all vendors? ☐ Yes ☐ No

Do you rent the facility to others? ☐ Yes ☐ No

Submission: _____

GENERAL FRAUD STATEMENT (not applicable in Colorado, Hawaii, Nebraska, Ohio, Oklahoma, Oregon, Utah and Vermont)
Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and (NY: substantial) civil penalties. In the District of Columbia, Louisiana, Maine, Tennessee and Virginia, insurance benefits may also be denied.

NOTICE TO COLORADO APPLICANTS: THIS NOTICE IS A PART OF YOUR APPLICATION FOR PROFESSIONAL LIABILITY INSURANCE:
It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment or both.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he/she is facilitation a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly and with intent to injure, defraud, or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO UTAH APPLICANTS: For your protection, Utah law requires the following to be included in this application:
"Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison."

For Florida Applicants only: Agent's Name: _____ FL License Number: _____

THE APPLICANT DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE APPLICANT AGREES THAT IF THE INFORMATION SUPPLIED ON THE APPLICATION BY THE APPLICANT CHANGES BETWEEN THE DATE OF THE APPLICATION AND THE EFFECTIVE DATE OF INSURANCE, APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

This application is understood to be an inducement to the issuance of a policy of insurance by the Company. The undersigned hereby authorizes the Company to obtain information necessary for evaluation in determining acceptability including but not limited to motor vehicle reports, credit reports and physical inspection.

Applicant's Signature: Donna M Jensen Date: 4.22.13
Title: owner

Producer's Signature: Matt Wi Date: 4-22-13

Agency Name: Peoples Underwriters, Inc.
Agency Address: PO Box 1335
Agency City, State, Zip: Conway, SC 29526

TH APP CC SIG 012011

ACORD®

AGENCY CUSTOMER ID: _____

SOUTH CAROLINA COMMERCIAL AUTO
COVERAGES / LIMITS SECTION

DATE (MM/DD/YYYY): 4.17.13

AGENCY: Peoples Underwriters, Inc.

NAMED INSURED(S): The Learning Station CDC, LLC

POLICY NUMBER: CCA2001712-00

EFFECTIVE DATE: 4.17.13

CARRIER: Markel Insurance Company

NAIC CODE:

BUSINESS AUTO SECTION

COVERAGES	COVERED AUTO SYMBOLS	LIMITS
LIABILITY	1, 2, 3, 4, 7, 8, 9 (X)	(X) CSL ( ) BI EA PER $ 1,000,000; BI EACH ACCIDENT $; PROPERTY DAMAGE $
PERSONAL INJURY PROTECTION	5, 7	$ DEDUCTIBLE $
ADDL PERSONAL INJURY PROTECTION	5, 7	WORK LOSS $; MED EXP $
MEDICAL PAYMENTS	2, 3 (X), 4, 7, 8	EACH PERSON $5,000
UNINSURED MOTORIST	2, 3 (X), 4, 6, 7	(X) CSL ( ) BI EA PER $ 1,000,000; BI EACH ACCIDENT $; PROPERTY DAMAGE $ $ DED
UNDERINSURED MOTORIST	2, 3 (X), 4, 6, 7	(X) CSL ( ) BI EA PER $ 1,000,000; BI EACH ACCIDENT $; PROPERTY DAMAGE $ $ DED
HIRED / BORROWED LIABILITY	(X) YES ( ) NO	STATES: SC; COST OF HIRE $; (X) IF ANY BASIS
NON-OWNED LIABILITY	(X) YES ( ) NO	STATES: SC; GROUP TYPE: (X) EMPLOYEES, ( ) VOLUNTEERS, ( ) PARTNERS; NUMBER OF: 15

COVERAGES	COVERED AUTO SYMBOLS	LIMITS

PHYSICAL DAMAGE

TOWING & LABOR	3, 7	$
COMP / OTC	2, 3 (X), 4, 7, 8	
SPECIFIED CAUSES OF LOSS	2, 3, 4, 7, 8	
COLLISION	2, 3 (X), 4, 7, 8	

HIRED PHYSICAL DAMAGE	STATES	# DAYS	# VEH	COVERAGE / DEDUCTIBLE
				( ) COMP $; ( ) SPEC C OF L $; ( ) COLL $

COVERAGE IS: ( ) PRIMARY ( ) SECONDARY

COVERED AUTO SYMBOLS
(1) ANY AUTO
(2) ALL OWNED AUTOS
(3) OWNED PRIVATE PASSENGER AUTOS
(4) OWNED AUTOS OTHER THAN PRIVATE PASSENGER
(5) ALL OWNED AUTOS WHICH REQUIRE NO-FAULT COVERAGE
(6) OWNED AUTOS SUBJECT TO COMPULSORY U.M. LAW
(7) AUTOS SPECIFIED ON SCHEDULE
(8) HIRED AUTOS
(9) NON-OWNED AUTOS

ENDORSEMENTS / REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SIGNATURE

NOTICE OF INSURANCE INFORMATION PRACTICES - PERSONAL INFORMATION ABOUT YOU MAY BE COLLECTED FROM PERSONS OTHER THAN YOU, IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. YOU HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT YOUR AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US.

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

I UNDERSTAND THAT THE COVERAGE SELECTION AND LIMIT CHOICES INDICATED HERE OR IN ANY STATE SUPPLEMENT WILL APPLY TO ALL FUTURE POLICY RENEWALS, CONTINUATIONS AND CHANGES UNLESS I NOTIFY YOU OTHERWISE IN WRITING.

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

APPLICANT'S SIGNATURE	DATE	PRODUCER'S SIGNATURE	NATIONAL PRODUCER NUMBER
Donna M Jensen	4-22-13	Matt Din	192183

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TRUCKERS SECTION

AGENCY CUSTOMER ID: _____

COVERAGES	COVERED AUTO SYMBOLS	LIMITS
LIABILITY	41 42 43 46 47 50	☐ CSL ☐ BI EA PER $ BI EACH ACCIDENT $ PROPERTY DAMAGE $
PERSONAL INJURY PROTECTION	44 45	DEDUCTIBLE $ $
ADDITIONAL P.I.P	44 46	WORK LOSS $ MED EXP $
MEDICAL PAYMENTS	42 43 46	EACH PERSON $
UNINSURED MOTORIST	42 43 45 46	☐ CSL ☐ BI EA PER $ BI EACH ACCIDENT $ PROPERTY DAMAGE $ $ DED
UNDERINSURED MOTORIST	42 43 45 46	☐ CSL ☐ BI EA PER $ BI EACH ACCIDENT $ PROPERTY DAMAGE $ $ DED
NON-TRUCKERS HIRED / BORROWED	YES NO STATES	COST OF HIRE ☐ IF ANY BASIS $
TRUCKERS HIRED / BORROWED LIABILITY	YES NO STATES	COST OF HIRE ☐ IF ANY BASIS $
NON-OWNED AUTO LIABILITY	YES NO STATES	GROUP TYPE NUMBER OF ☐ EMPLOYEES ☐ VOLUNTEERS ☐ PARTNERS
OTHER		

PHYSICAL DAMAGE

COVERAGES	COVERED AUTO SYMBOLS	LIMITS	DEDUCTIBLE
COMP / OTC	42 43 46 47		$
SPECIFIED CAUSES OF LOSS	42 43 46 47	☐ SCL ☐ FT ☐ LSP ☐ F ☐ FTW	$
COLLISION	42 43 46 47		$
TOWING & LABOR	46	$	

TRAILER INTERCHANGE

COVERAGES	SYMBOL	# TRAILERS	FARTH ZONE	# DAYS	RADIUS	DEDUCTIBLE
COMP / OTC	48 49					
SPECIFIED CAUSES OF LOSS	48 49					
COLLISION	48 49					$
TRAILER VALUE	$					

	STATES	# DAYS	# VEH	
HIRED PHYSICAL DAMAGE				
	COVERAGE IS:	☐ PRIMARY	☐ SECONDARY	
OTHER				

COVERED AUTO SYMBOLS
(41) ANY AUTO
(42) OWNED AUTOS ONLY
(43) OWNED COMMERCIAL AUTOS ONLY
(44) OWNED AUTOS SUBJECT TO NO-FAULT
(45) OWNED AUTOS SUBJECT TO A COMPULSORY UNINSURED MOTORIST LAW
(46) SPECIFICALLY DESCRIBED AUTOS
(47) HIRED AUTOS ONLY
(48) TRAILERS IN YOUR POSSESSION UNDER A TRAILER INTERCHANGE AGREEMENT
(49) YOUR TRAILERS IN THE POSSESSION OF ANOTHER TRUCKER UNDER A TRAILER INTERCHANGE AGREEMENT
(50) NON-OWNED AUTOS ONLY

ENDORSEMENTS / REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SIGNATURE

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I UNDERSTAND THAT THE COVERAGE SELECTION AND LIMIT CHOICES INDICATED HERE OR IN ANY STATE SUPPLEMENT WILL APPLY TO ALL FUTURE POLICY RENEWALS, CONTINUATIONS AND CHANGES UNLESS I NOTIFY YOU OTHERWISE IN WRITING.

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

APPLICANT'S SIGNATURE	DATE	PRODUCER'S SIGNATURE	NATIONAL PRODUCER NUMBER
Donna M Jensen	4-22-13	Matt Win	192185

MOTOR CARRIER SECTION

AGENCY CUSTOMER ID: _____

COVERAGES	COVERED AUTO SYMBOLS	LIMITS
LIABILITY	61 67 / 62 68 / 63 71 / 64	CSL / BI EA PER $; BI EACH ACCIDENT $; PROPERTY DAMAGE $
PERSONAL INJURY PROTECTION	65 / 67	DEDUCTIBLE $ $
ADDL PERSONAL INJURY PROTECTION	65 / 67	WORK LOSS $; MED EXP $
MEDICAL PAYMENTS	62 64 / 63 67	EACH PERSON $
UNINSURED MOTORIST	62 66 / 63 67 / 64	CSL / BI EA PER $; BI EACH ACCIDENT $; PROPERTY DAMAGE $ $ DED
UNDERINSURED MOTORIST	62 56 / 63 67 / 64	CSL / BI EA PER $; BI EACH ACCIDENT $; PROPERTY DAMAGE $ $ DED
NON-TRUCKERS HIRED / BORROWED	YES / NO STATES	COST OF HIRE $ IF ANY BASIS
TRUCKERS HIRED / BORROWED LIABILITY	YES / NO STATES	COST OF HIRE $ IF ANY BASIS
NON-OWNED AUTO LIABILITY	YES / NO STATES	GROUP TYPE: EMPLOYEES, VOLUNTEERS, PARTNERS — NUMBER OF
OTHER		

PHYSICAL DAMAGE

COVERAGES	COVERED AUTO SYMBOLS	LIMITS	DEDUCTIBLE
COMP / OTC	62 67 / 63 68 / 64		$
SPECIFIED CAUSES OF LOSS	62 67 / 63 68 / 64	SCL FT LSP / F FTW	$
COLLISION	62 67 / 63 68 / 64		$
TOWING & LABOR	63 / 67	$	

TRAILER INTERCHANGE

COVERAGES	SYMBOL	# TRAILERS	FARTH ZONE	# DAYS	RADIUS	DEDUCTIBLE
COMP / OTC	69 / 70					
SPECIFIED CAUSES OF LOSS	69 / 70					
COLLISION	69 / 70					$

TRAILER VALUE $

	STATES	# DAYS	# VEH	
HIRED PHYSICAL DAMAGE				

COVERAGE IS ____ PRIMARY ____ SECONDARY

OTHER

COVERED AUTO SYMBOLS
(61) ANY AUTO
(62) OWNED AUTOS ONLY
(63) OWNED PRIVATE PASS AUTOS ONLY
(64) OWNED COMMERCIAL AUTOS ONLY
(65) OWNED AUTOS SUBJECT TO NO-FAULT
(66) OWNED AUTOS SUBJECT TO A COMPULSORY UNINSURED MOTORIST LAW
(67) SPECIFICALLY DESCRIBED AUTOS
(68) HIRED AUTOS ONLY
(69) TRAILERS IN YOUR POSSESSION UNDER A TRAILER INTERCHANGE AGREEMENT
(70) YOUR TRAILERS IN THE POSSESSION OF ANOTHER TRUCKER UNDER A TRAILER INTERCHANGE AGREEMENT
(71) NON-OWNED AUTOS ONLY

ENDORSEMENTS / REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SIGNATURE

NOTICE OF INSURANCE INFORMATION PRACTICES - PERSONAL INFORMATION ABOUT YOU MAY BE COLLECTED FROM PERSONS OTHER THAN YOU, IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. YOU HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT YOUR AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US.

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

I UNDERSTAND THAT THE COVERAGE SELECTION AND LIMIT CHOICES INDICATED HERE OR IN ANY STATE SUPPLEMENT WILL APPLY TO ALL FUTURE POLICY RENEWALS, CONTINUATIONS AND CHANGES UNLESS I NOTIFY YOU OTHERWISE IN WRITING.

THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 90 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 90 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.

APPLICANT'S SIGNATURE	DATE	PRODUCER'S SIGNATURE	NATIONAL PRODUCER NUMBER
Donna M Kanser	4-22-13	Matt Wi	192183

SELECTIVE®

Selective Insurance Company of America
Randy Eichhorn
PO Box 1216
Waxhaw, NC 28173
Phone#: 704-843-5021
Fax#: 888-607-8419
E-mail: randy.eichhorn@selective.com

January 3, 2012

Mr. Thomas Brittain
Brittain Law Firm, P.A.
4614 Oleander Drive
Myrtle Beach, SC 29577

RE: Insured(s):	Four J's & AD, LLC, dba/The Learning Station
Claimant:	Donna Jensen
Our Claim Number:	21135439
Selective Policy Number(s):	S 1940117
Policy Period(s):	04/17/11 – 04/17/12
Policy Limits:	$1,000,000.00 UIM
Date(s) of Loss:	05/11/11
Company Name:	Selective Insurance Company of the Southeast

Dear Mr. Brittain:

I am the Claims Management Specialist, employed by Selective Insurance Company of America, who is handling this claim on behalf of the insurance carrier, Selective Insurance Company of the Southeast ("Selective"). My responsibilities include making a determination as to what coverage may be available under the terms of the insurance policy(ies) purchased from Selective.

You have requested, through the agent for Four J's & AD, LLC, dba/The Learning Station ("The Learning Station"), that Selective provide insurance coverage for the claim being made on behalf of Donna Jensen. That request was made under the insurance policy referenced above.

SUMMARY OF SELECTIVE'S POSITION

We have carefully evaluated the facts and circumstances of this claim. Unfortunately, we must advise you that the terms of the policy purchased from Selective do not afford insurance coverage for this claim. The purpose of this letter is to explain how we came to this decision. Obviously, if you feel we have reached this determination in error,

please contact me so we can discuss this matter and I will be happy to answer any questions you may have.

However, if you should come into possession of new or different information you feel may cause Selective to change its decision; we will be pleased to review it. On the other hand, if we do not hear from you in the next 30 days, we will assume you accept our decision and we will close our file.

FACTS OF THIS CLAIM

Donna Jensen reported that on May 11, 2011, she was injured when a vehicle struck an exterior wall of a building she occupied. At the time of the incident, Jensen was sitting in the office of The Learning Station on Singleton Ridge Road in Conway.

SELECTIVE'S COVERAGE POSITION

Based upon our investigation we have identified certain provisions of the policy which are applicable to this claim. In this section, we will review those parts of the policy and explain why coverage is not available under the terms of the policy purchased.

Primary Policy

Please refer to the Coverage A. Insuring Agreement section of the **South Carolina Uninsured Motorist Coverage** policy form bearing form number **CA 21 88**, ed., 03/06; page 1 of 4.

A. Coverage
1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle".
The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".

2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured
If the Named Insured is designated in the Declarations as:
1. An individual, then the following are "insureds":
a. The Named Insured and any "family members".
b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of

service because of its breakdown, repair, servicing, "loss" or destruction.

c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
   a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
   b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
   c. The Named Insured for "property damage" only.

The following Definitions beginning on page 3 apply to the above policy language:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward of foster child.

3. "Occupying" means in, upon, getting in, on, out or off.

Selective has determined the Uninsured Motorist automobile insurance policy carried by The Learning Station does not provide coverage to Donna Jensen in this instance. Mrs. Jensen was not an "insured" as defined by the policy because she was not "occupying" a covered auto.

RESERVATION OF RIGHTS

Although Selective is today declining coverage of this claim, we will keep our file open for thirty days in case you wish to discuss our decision or wish to give us more or different information that may be relevant. In the meantime, since we have identified coverage issues which exist, we must expressly reserve all of our available rights. Our "reservation of rights" puts you on notice that, Selective reserves the right to re-state or change its coverage position based on any new information which may come to our attention. In addition, Selective reserves the right, among other things, to further decline coverage; to withdraw any legal defense we may later provide; the right to seek remedy from any other person or entity in connection with this claim; the right to seek a judicial determination of all affected parties' rights and obligations under the terms of the Selective policy/ies; where permitted by law, and the right to seek reimbursement of any fees and costs we may ultimately incur to provide a defense. All rights, whether mentioned in this letter or not, are hereby expressly reserved, and no acts or failure to act by Selective are intended, nor shall they be construed, as a waiver of any of Selective's rights.

Hopefully, this letter provides you with a clear explanation of Selective's position regarding the insurance coverage available for this claim. However, if our explanation is unclear, or if you would like to discuss any aspect of this claim, we would be happy to discuss such matters with you. I can be reached at the phone number set forth above.

In the meantime, we thank you for your cooperation in this matter.

Sincerely,

Randy Eichhorn
Claims Management Specialist

cc: Peoples Underwriters, Inc.

Sent via Regular U.S. Mail

THOMCO
A MARKEL COMPANY

THOMCO
P.O. Box 440549
Kennesaw, GA 30160
Fax: (678) 290-2200 Ph: (678) 290-2100
www.thomcoins.com

COMMERCIAL PACKAGE INSURANCE BINDER

Master Quote# 2921530-001 Submission # 1031928 Expiring Policy # NEW

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED.
IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICATION/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

Quote Date: 4/16/13 **Policy Number: CCP2001171200**

Effective Date: 4/17/13 **Expiration Date:** 4/17/14

12:01 STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED.

Insured: 2921530 **Producer ID:** SC19907 **Commission:** 10.0%

Name: The Learning Station CDC, LLC **Producer:** Peoples Underwriters Inc

DBA: The Learning Station

Address: 690 Singleton Ridge Road
Conway, SC 29526

400 Main St
Conway, SC 29526

Insurer: Markel Insurance Company **A.M. Best Rating:** A, XIV

Program: Child Care Complete

Policy Information

Property Limits (Total Values For All Locations, Not Blanket)		*Liability Limits*	
Building Values	$1,157,500	General Liability Each Occ/Agg	$1,000,000/$3,000,000
Contents	$250,000	Products Completed Operations Agg	$3,000,000
Tenant Improvements	N/A	Personal & Advertising Injury	$1,000,000
Property Deductible	$1000	Damage To Premises Rented To You	See GL Enhancements
Wind Hail Deductible	See Schedule	Medical Payments (Excluding Children)	$10,000
Coinsurance	80%	Abuse Liability Each Occ/Agg	$1,000,000/$1,000,000
Equipment Breakdown	Total of Bldg & BPP per Location	Childcare & Teachers Professional Liability	Included in GL
Business Income	ALS	Medical Payments for Children	$5,000
BI Coinsurance	N/A		
Causes of Loss	Special Form Including Theft		
Valuation	Replacement Cost		

*Premium Details***

General Liability	$3,307.00
Property	$5,444.00
Taxes	$.00
Premium Total	$8,751.00

**Certain Standard Fire Policy may require a terrorism charge, regardless of rejection of coverage, to help cover the cost of fires resulting from certified acts of terrorism. The Insured will be charged in those applicable states.

IMPORTANT: SEE ATTACHED DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE.

Peoples_001222 TH BN CC PKG 003

THOMCO
A MARKEL COMPANY

THOMCO
P.O. Box 440549
Kennesaw, GA 30160
Fax: (678) 290-2200
Phone: (678) 290-2100
www.thomcoins.com

MasterQuote# 2921530-001, Submission# 1031928 - Policy# CCP20011712-00

Summary Of Exposures

Location	Building	Exposure	Basis
1	1	195	Average Daily Attendance (based on twelve months)
1	1	$1,102,500	Building Limit
1	1	$250,000	Business Personal Property of Insured Limit
1	2	$25,000	Fence
1	3	$30,000	Play Equip

Location Information

Location

1

690 Singleton Ridge Road, Conway, SC 29526
Property Enhancement: Child Care
Building: 1 (Childcare)
Wind Hail: Percentage Deductible: 5%
Building: 2 (Fence)
Wind Hail: Percentage Deductible: 5%
Building: 3 (Play Equip)
Wind Hail: Percentage Deductible: 5%

Additional Terms and Conditions:

*** Subject to Favorable Loss Control Inspection

THOMCO
A MARKEL COMPANY

THOMCO
P.O. Box 440549
Kennesaw, GA 30160
Fax: (678) 290-2200 Ph: (678) 290-2100
www.thomcoins.com

BUSINESS AUTO INSURANCE BINDER

Master Quote# 2921530-001 Submission # 1031929 Expiring Policy # NEW

THE TERMS AND CONDITIONS OF THIS CONFIRMATION OF INSURANCE MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS CONFIRMATION CAREFULLY AND COMPARE IT WITH ANY QUOTE AND SUBMISSION DOCUMENTS AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED.
IN ACCORDANCE WITH YOUR INSTRUCTIONS, AND IN RELIANCE UPON THE STATEMENTS MADE BY THE RETAIL BROKER IN THE INSURED'S APPLICAITON/SUBMISSION, WE HAVE OBTAINED INSURANCE AT YOUR REQUEST AS FOLLOWS:

Date Issued: 4/16/13 **Policy Number: CCA20011712-00**

Effective Date: 4/17/13 **Expiration Date:** 4/17/14

12:01 STANDARD TIME AT THE LOCATION ADDRESS OF THE NAMED INSURED.

Insured : 2921530 **Producer:** SC19907 **Commission:** 10.0 %

Name: The Learning Station CDC, LLC Peoples Underwriters Inc

DBA: The Learning Station

Address: 690 Singleton Ridge Road 400 Main St

Conway, SC 29526 Conway, SC 29526

Insurer: Markel Insurance Company **A.M. Best Rating:** A, XIV ADMITTED

Program: Child Care Complete

Policy Information

Automobile	*Limits of Liability*	*Premium*
Medical Payments (7)	$5,000	$84.00
Collision (7)	$1,000 Deductible	$28.00
Other Than Collision (7)	$1,000 Deductible	$30.00
Uninsured Motorists (7)	$1,000,000	$36.00
Liability (7 8 9)	$1,000,000	$1,118.00
Hired Liability	$1,000,000	$89.00
Non-Owned Liability	$1,000,000	$103.00
Underinsured Motorists	$1,000,000	$160.00
Coverage Enhancement for Auto		$175.00

Premium Subtotal:	$1,823.00
Taxes:	$.00
Total:	$1,823.00

THOMCO
A MARKEL COMPANY

THOMCO
P.O. Box 440549
Kennesaw, GA 30160
Fax: (678) 290-2200
Phone: (678) 290-2100
www.thomcoins.com

Master Quote # 2921530-001

Schedule of Vehicles

	Year	Make	Model	VIN	Collision Deductible	Comprehensive Deductible	Garaged Zip	Type
1)	1995	Chevy	Bus	1GBHG31K9SF121727	$1,000	$1,000	29526	Public Auto
2)	1995	Chevy	Bus	1GDHG31Y8SF522116	$1,000	$1,000	29526	Public Auto

Peoples_001226

MARKEL INSURANCE COMPANY

4600 Cox Road
Glen Allen, VA 23060
(800) 431-1270

COMMERCIAL LINES POLICY DECLARATIONS

POLICY NUMBER: CCA20011712-00 **PREVIOUS POLICY NUMBER:** NEW

COMPANY NAME	PRODUCER NAME SC19907
Markel Insurance Company 4600 Cox Road Glen Allen, VA 23060 (800) 431-1270	Peoples Underwriters Inc 400 Main St Conway, SC 29526

NAMED INSURED: The Learning Station CDC, LLC
DBA: The Learning Station

MAILING ADDRESS: 690 Singleton Ridge Road
Conway, SC 29526

POLICY PERIOD: FROM 04/17/2013 **TO** 04/17/2014
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	Child Care Center

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. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
BUSINESS AUTOMOBILE COVERAGE FORM	$1,823.00
TOTAL PAYABLE:	$1,823.00

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POLICY NUMBER: CCA20011712-00

FORMS APPLICABLE TO ALL COVERAGE PARTS (SHOW NUMBERS):
See Schedule of Forms and Endorsements.

Countersigned	By:
04/18/13	
(Date)	(Authorized Representative)

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

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SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
CCA20011712-00	04/17/2013

NUMBER	TITLE
MJ1 (04-95)	Policy Jacket
MD 001-SC (07-02)	Commercial Lines Policy Declarations
MDCA 1000 (01-12)	Business Auto Declarations
IL 00 03 (09-08)	Calculation of Premium
IL 00 17 (11-98)	Common Policy Conditions
IL 00 21 (09-08)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
CA 00 01 (03-10)	Business Auto Coverage Form
CA 01 50 (03-06)	South Carolina Changes
CA 02 30 (04-10)	South Carolina Changes - Cancelation and Nonrenewal
CA 21 19 (03-06)	South Carolina Uninsured Motorists Coverage
CA 21 88 (03-06)	South Carolina Underinsured Motorists Coverage
CA 23 84 (01-06)	Exclusion of Terrorism
CA 23 94 (03-06)	Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure
CA 24 02 (12-93)	Public Transportation Autos
CA 99 03 (03-06)	Auto Medical Payments Coverage
MCA 1205-SC (01-12)	South Carolina Commercial Automobile Plus Extension Endorsement

Markel Insurance Company

BUSINESS AUTO DECLARATIONS

POLICY NUMBER: CCA20011712-00

COMMERCIAL AUTO
MDCA 1000 01 12

ITEM ONE

Company Name: Markel Insurance Company	**Producer Name:** SC19907 Peoples Underwriters Inc 400 Main St Conway, SC 29526
Named Insured: The Learning Station CDC, LLC DBA: The Learning Station	
Mailing Address: 690 Singleton Ridge Road Conway, SC 29526	
Policy Period	
From: 04/17/2013	
To: 04/17/2014	At 12:01 AM Standard Time at your mailing address shown above
Previous Policy Number: NEW	

Form Of Business:

☐ Corporation ☒ Limited Liability Company ☐ Individual
☐ Partnership ☐ Other:

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

Premium shown is payable at inception: $1,823.00

Audit Period (If Applicable): ☐ Annually ☐ Semiannually ☐ Quarterly ☐ Monthly

Endorsements Attached To This Policy

IL 00 17 - Common Policy Conditions (**IL 01 46** in Washington)
IL 00 21 - Broad Form Nuclear Exclusion (Not applicable in New York)

See Schedule of Forms and Endorsements.

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Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

ITEM TWO

Schedule Of Coverages And Covered Autos

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form next to the name of the coverage.**

Coverages	Covered Autos	Limit	Premium
Liability	7 8 9	$1,000,000	$1,310
Personal Injury Protection (Or Equivalent No-fault Coverage)		Separately Stated In Each Personal Injury Protection Endorsement Minus Deductible	
Added Personal Injury Protection (Or Equivalent Added No-fault Coverage)		Separately Stated In Each Added Personal Injury Protection Endorsement	
Property Protection Insurance (Michigan Only)		Separately Stated In The Property Protection Insurance Endorsement Minus Deductible For Each Accident	
Auto Medical Payments	7	$5,000	$84
Medical Expense And Income Loss Benefits (Virginia Only)		Separately Stated In The Medical Expense And Income Loss Benefits Endorsement	
Uninsured Motorists	7	$1,000,000	$36
Underinsured Motorists (When Not Included In Uninsured Motorists Coverage)	7	$1,000,000	$160

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ITEM TWO

Schedule Of Coverages And Covered Autos (Cont'd)

Coverages	Covered Autos	Limit	Premium
Physical Damage Comprehensive Coverage	7	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus $1,000 Deductible For Each Covered Auto, But No Deductible Applies To Loss Caused By Fire Or Lightning See Item Four for Hired or Borrowed Autos.	$30
Physical Damage Specified Causes Of Loss Coverage		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered Auto For Loss Caused By Mischief Or Vandalism See Item Four for Hired or Borrowed Autos.	
Physical Damage Collision Coverage	7	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus $1,000 Deductible For Each Covered Auto See Item Four for Hired or Borrowed "Autos".	$28
Physical Damage Towing And Labor		For Each Disablement Of A Private Passenger Auto	
		Premium For Endorsements	$175
		Estimated Total Premium*	$1,823.00
*This policy may be subject to final audit.			

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ITEM THREE

Schedule Of Covered Autos You Own

Covered Auto Number: 1					
Town And State Where The Covered Auto Will Be Principally Garaged: Conway, SC					
Covered Auto Description					
Year: 1995 **Model:** Bus			**Trade Name:** Chevy		
Body Type: Bus			**Serial Number (S):**		
Vehicle Identification Number (VIN): 1GBHG31K9SF121727					
Purchased					
Original Cost New: $15,000					
Actual Cost New Or Used: ☐ New ☐ Used					
Classification					
Radius Of Operation	**Business Use s=service r=retail c=commercial**	**Size GVW, GCW Or Vehicle Seating Capacity**	**Age Group**	**Secondary Rating Classification**	**Code**
Up to 50 miles		9 to 20	X		6252

Except For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At the Time Of The Loss:

Coverages - Premiums, Limits And Deductibles

(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding Item Two column applies instead.)

Coverages	Limit	Premium
Liability	$1,000,000	$559
Personal Injury Protection	Stated In Each Personal Injury Protection Endorsement Minus Deductible	
Added Personal Injury Protection	Stated In Each Added Personal Injury Protection Endorsement	
Property Protection Insurance (Michigan Only)	Stated In The Property Protection Insurance Endorsement Minus Deductible	
Auto Medical Payments	$5,000	$42
Medical Expense And Income Loss Benefits (Virginia Only)	Stated In The Medical Expense And Income Loss Benefits Endorsement For Each Person	
Uninsured Motorist	$1,000,000	$18
Underinsured Motorist	$1,000,000	$80
Comprehensive	Stated In Item Two Minus $1,000 Deductible	$15
Specified Causes Of Loss	Stated In Item Two Minus Deductible	
Collision	Stated In Item Two Minus $1,000 Deductible	$14
Towing And Labor	Per Disablement	

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ITEM THREE

Schedule Of Covered Autos You Own

Covered Auto Number: 2					
Town And State Where The Covered Auto Will Be Principally Garaged: Conway, SC					
Covered Auto Description					
Year: 1995 **Model:** Bus			**Trade Name:** Chevy		
Body Type: Bus			**Serial Number (S):**		
Vehicle Identification Number (VIN): 1GDHG31Y8SF522116					
Purchased					
Original Cost New: $15,000					
Actual Cost New Or Used: ☐ New ☐ Used					
Classification					
Radius Of Operation	**Business Use s=service r=retail c=commercial**	**Size GVW, GCW Or Vehicle Seating Capacity**	**Age Group**	**Secondary Rating Classification**	**Code**
Up to 50 miles		9 to 20	X		6252
Except For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At the Time Of The Loss:					

Coverages - Premiums, Limits And Deductibles

(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding Item Two column applies instead.)

Coverages	Limit	Premium
Liability	$1,000,000	$559
Personal Injury Protection	Stated In Each Personal Injury Protection Endorsement Minus Deductible	
Added Personal Injury Protection	Stated In Each Added Personal Injury Protection Endorsement	
Property Protection Insurance (Michigan Only)	Stated In The Property Protection Insurance Endorsement Minus Deductible	
Auto Medical Payments	$5,000	$42
Medical Expense And Income Loss Benefits (Virginia Only)	Stated In The Medical Expense And Income Loss Benefits Endorsement For Each Person	
Uninsured Motorist	$1,000,000	$18
Underinsured Motorist	$1,000,000	$80
Comprehensive	Stated In Item Two Minus $1,000 Deductible	$15
Specified Causes Of Loss	Stated In Item Two Minus Deductible	
Collision	Stated In Item Two Minus $1,000 Deductible	$14
Towing And Labor	Per Disablement	

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ITEM THREE

Schedule Of Covered Autos You Own (Cont'd)

Total Premiums	
Liability	$1,118
Personal Injury Protection	
Added Personal Injury Protection	
Property Protection Insurance (Michigan Only)	
Auto Medical Payments	$84
Medical Expense And Income Loss Benefits (Virginia Only)	
Uninsured Motorist	$36
Underinsured Motorist	$160
Comprehensive	$30
Specified Causes Of Loss	
Collision	$28
Towing And Labor	

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ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums

Liability Coverage - Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Liability Coverage	**Estimated Annual Cost Of Hire For All States**	**Premium**
Primary Coverage		
Excess Coverage		
	Total Premium	

For "autos" used in your motor carrier operations, cost of hire means:

(a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,

(b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and

(c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

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ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Liability Coverage - Cost of Hire Rating Basis For Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
Liability Coverage	**State**	**Estimated Annual Cost Of Hire For Each State**	**Premium**
Primary Coverage			
Excess Coverage	SC	If Any	$89
		Total Premium	$89

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

Physical Damage Coverages - Cost of Hire Rating Basis For All Autos (Other Than Mobile Or Farm Equipment)				
Coverage	**State**	**Limit Of Insurance**	**Estimated Annual Cost Of Hire For Each State (Excluding Autos Hired With A Driver)**	**Premium**
Comprehensive		**Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered Auto, But No Deductible Applies To Loss Caused By Fire Or Lightning**		
Specified Causes Of Loss		**Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered Auto For Loss Caused By Mischief Or Vandalism**		
Collision		**Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered Auto**		
			Total Premium	

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.

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ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Cost Of Hire Rating Basis For Mobile Or Farm Equipment - Other Than Physical Damage Coverages					
		Estimated Annual Cost Of Hire For Each State		Premium	
Coverage	State	Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability - Primary Coverage					
Liability - Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
			Total Premiums		

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

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ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Cost Of Hire Rating Basis For Mobile Or Farm Equipment - Physical Damage Coverages						
			Estimated Annual Cost Of Hire For Each State (Excluding Autos Hired With A Driver)		Premium	
Coverage	State	Limit Of Insurance	Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Comprehensive		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Ded. For Each Covered Auto, But No Deductible Applies To Loss Caused By Fire Or Lightning				
Specified Causes Of Loss		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Ded. For Each Covered Auto For Loss Caused By Mischief Or Vandalism				
Collision		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Ded. For Each Covered Auto				
				Total Premiums		

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.

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ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Rental Period Rating Basis For Mobile Or Farm Equipment					
		Estimated Number Of Days Equipment Will Be Rented		Premium	
Coverage	Town and State Where The Job Site Is Located	Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability - Primary Coverage					
Liability - Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
			Total Premiums		

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ITEM FIVE

Schedule For Non-ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	25	Included
	Number Of Partners (Active and Inactive)	0	Included
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
		Total Premium	$103

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ITEM SIX

Schedule For Gross Receipts Or Mileage Basis

Address Of Business Headquarters Location:		
Type Of Risk (Check one):	☐ **Public Autos**	☐ **Leasing Or Rental Concerns**
Rating Basis (Check one):	☐ **Gross Receipts (Per $100)**	☐ **Mileage (Per Mile)**
Estimated Yearly (Gross Receipts Or Mileage):		
Premiums		
Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

A. Amounts paid to air, sea or land carriers operating under their own permits.

B. Advertising revenue.

C. Taxes collected as a separate item and paid directly to the government.

D. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

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Franklin Sanders
2422 Main Street
Conway SC 29526

Your Quick Insurance Check

- ✓ Verify the vehicles and drivers listed on the Policy Declarations.
- ✓ Check the vehicle identification number (VIN) listed on these documents; its accuracy could affect your premium.
- ✓ Now you can pay your premium even before your bill is issued - visit allstate.com or call 1-800-Allstate®.

Jeffery W and Donna M
Jensen
426 Blackberry Ln
Myrtle Beach SC 29579-1709

We're Confirming Your Policy Change

Thank you for the opportunity to help take care of your insurance needs. I want to let you know that I□vemade the changes you requested to your policy. Please look over all the information in this mailing and call me if you have any questions.

What Has Changed?

The accompanying Amended Policy Declarations shows the following changes to your policy□
A change in insurance coverage for your 10 B□ □ 528I.
A change in insurance coverage for your 12 □am Trucks 1500 2wd.
A change in insurance coverage for your 12 Dodge □an □rand Caravn.

The changes took effect on 09/1□12.

Your premium for the current policy period has been increased by a total of $1□□.21.
Your discount savings for this policy period are□$1,□19.08

The enclosed Amended Policy Declarations provides a detailed list of the coverages, coverage limits and coverage costs for your auto policy.

(over)

AUTO *5101039120913030131005O1* Information as of September 13, 2012 0000009555612117 010 027 SC

EA120

Allstate 0676

We Thought You'd Like to Know

Keep in mind that Allstate Fire and Casualty Insurance Company offers a wide range of discounts, including discounts for multiple policies, good students, safe driving, new cars and more. With Allstate Fire and Casualty Insurance Company, you're not getting discount insurance—you're getting quality car insurance *with discounts!* Contact me, and I will help you find out which of these helpful discounts is available in your area and whether you qualify for them.

Because Allstate Fire and Casualty Insurance Company cares about you and your family we've also created a number of auto-related safety brochures and other materials. To request these materials, please contact us. We hope you'll join with us to connect safety to your daily life.

We Appreciate Your Business

Thank you for choosing Allstate Fire and Casualty Insurance Company to help with your insurance needs. If you have any questions or concerns, please contact me at (843) 248-5200. And for 24-hour-a-day, 7-day-a-week service and information, just call 1-800-ALLSTATE®(1-800-255-7828).



Franklin Sanders
Your Allstate Agent

Allstate Fire and Casualty Insurance Company

Your Savings and Opportunities

Your discount savings for this policy period is:	Your premium for this policy period is:
$1,619.08	**$2,083.28**
(For an itemized list of your discounts, refer to your Policy Declarations)	This amount reflects the discount savings shown on left.

Allstate Offers You Innovative Choices

We'd like to introduce you to Allstate® Your Choice Auto Insurance, a different kind of car insurance that can reward you like never before. Now, with a Gold or Platinum Protection package you can get a range of innovative features, including:

- An immediate $100 off your collision coverage deductible.
- A safe driving bonus of up to 5% which can be applied toward your next renewal premium.
- Enhanced accident forgiveness — your rates won't go up just because of an accident.
- If your new car gets totaled, Allstate can help replace it with a brand new car.

Your Choice Auto bundles together the kind of features you want most in car insurance. You simply choose the package that you like best. And you get these great features on top of what you already get from Allstate, such as quality coverage and 24/7 claim service. Consider whether one of the following optional Your Choice Auto packages is right for you:

Platinum Protection package

- Safe Driving Deductible Reward
- A Safe Driving Bonus
- Enhanced Accident Forgiveness for Multiple Accidents

Gold Protection package

- Safe Driving Deductible Reward
- Enhanced Accident Forgiveness (covers one accident every three years)

If you're looking to lower your premium, consider the Allstate Value Plan, our save money now plan. This option requires you to use the Allstate Easy Pay Plan, a convenient and time-saving service for automatically deducting your insurance payments from your checking or savings account. Also, any accidents occurring while the Allstate Value Plan is part of your policy will *not* be eligible for any accident waiver program, nor will any time spent in the Allstate Value Plan apply towards qualification for such a program.

New Car Expanded Protection coverage is available for an additional premium to customers who have added either our Gold Protection package or the Platinum Protection package to their policy. With this coverage, if your

insured new car is totaled, Allstate can help replace it with a brand new car. It's a good value if you want extra protection for your new car.

You can add a Your Choice Auto package to your policy right away. You don't need to wait for your current insurance to expire. Call your Allstate representative for a quote today!

Discounts and Other Savings Opportunities

There are a variety of ways to save money on your Allstate auto insurance. Below are just a few of the discounts and savings options that may be available in your area. Please contact your Allstate representative for more information about these and other savings opportunities.

Good Student Discount
Did you know that if the young driver on your policy is an unmarried student under the age of 25 and meets certain academic criteria, you could be eligible to receive our Good Student Discount?

Multiple Policy Discount
Customers who currently insure their home, condo, mobile home or apartment through Allstate may be eligible for our Multiple Policy Discount.

New Car Discount
You may be able to add to the thrill of purchasing a brand new car by finding out if it qualifies for our New Car Discount.

Accident Waiver Program
For eligible long-term customers, there's an Accident Waiver Program that can help prevent the application of an accident surcharge due to an accident, and, in certain cases, enable you to keep your discounts too.

Allstate Easy Pay Plan Discount
You may also qualify for a premium discount by having your insurance payments automatically deducted from your bank account through the Allstate Easy Pay Plan. And you'll be able to select a convenient day of the month for your premium withdrawal — either a monthly installment payment or a single Pay in Full option. And you'll avoid the hassle of writing checks and worrying about payments getting lost in the mail. Just contact your Allstate representative, or go to the Customer Care Center at *allstate.com* to apply. If you're already enrolled in the Allstate Easy Pay Plan, the discount has been applied to your policy.

X71551

Allstate Fire and Casualty Insurance Company

AMENDED

Auto Policy Declarations

The company issuing the policy is:

Allstate Fire and Casualty Insurance Company
2775 Sanders Road
Northbrook, IL 60062-6127
1-800-ALLSTATE® (1-800-255-7828)

Summary

NAMED INSURED(S)	YOUR ALLSTATE AGENT IS	YOUR BILL
Jeffery W and Donna M Jensen 426 Blackberry Lane Myrtle Beach SC 29579-1709	Franklin Sanders (843) 248-5200 2422 Main Street Conway SC 29526	Ilsts your payment options.

POLICY NUMBER	POLICY PERIOD
9 55 612117 03/13	Sep. 13, 2012 to Mar. 13, 2013 at 12:01 a.m. standard time

DRIVER(S) LISTED*	DRIVER(S) EXCLUDED
Jeffery Donna Jason	None

VEHICLES COVERED	VEHICLE ID NUMBER	LIENHOLDER
1. 12 Dodge Van Grand Caravn	2C4RDGEG6CR266062	Ally
2. 10 BMW 528I	WBANU5C52AC442189	Ally Financial Retail
3. 12 Ram Trucks 1500 2wd	1C6RD6MT8CS285968	Ally Bank Isaoa

Total Premium

Premium for 12 Dodge Van Grand Caravn	$710.75
Premium for 10 BMW 528I	$772.97
Premium for 12 Ram Trucks 1500 2wd	$599.56
TOTAL	**$2,083.28**

✓ ***Your total premium reflects a combined discount of $1,619.08***
Your Policy Effective Date is Sep. 13, 2012
RATING INFORMATION
Owns Residence: Yes

Allstate Fire and Casualty Insurance Company

Policy Number : 9 55 812117 03/13 **Your Agent: Franklin Sanders (843) 248-5200**
Policy Effective Date: Sep. 13, 2012

COVERAGE FOR VEHICLE # 1

2012 Dodge Van Grand Caravn

COVERAGE	LIMITS		DEDUCTIBLE	PREMIUM
Automobile Liability Insurance				$132.57
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	Not Applicable	$67.02
Uninsured Motorists Insurance				$18.90
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	$200	
Underinsured Motorists Insurance			Not Applicable	$52.70
• Bodily Injury	$100,000	each person		
	$300,000	each accident		
• Property Damage	$100,000	each accident		
Automobile Medical Payments	$10,000	each person	Not Applicable	$44.96
Auto Collision Insurance	Actual Cash Value		$500	$219.93
Auto Comprehensive Insurance	Actual Cash Value		$500	$174.67
Total Premium for 12 Dodge Van Grand Caravn				**$710.75**

DISCOUNTS

Your premium for this vehicle reflects the following discounts:

Driver Training	$46.61	Antilock Brakes	$46.60	The Good Hands People Program	$33.64
Premier Plus	$202.87	New Car	$113.12	Good Payer	$33.64
Preferred Package	$140.25	Passive Restraint	$19.27		

RATING INFORMATION

This vehicle is driven a maximum of 7,500 miles per year, 0-3 miles to work/school, unmarried male age 22, good driver rate

Allstate Fire and Casualty Insurance Company

Policy Number: 9 55 612117 03/13 **Your Agent: Franklin Sanders (843) 248-5200**
Policy Effective Date: Sep. 13, 2012

COVERAGE FOR VEHICLE # 2

2010 BMW 528I

COVERAGE	LIMITS		DEDUCTIBLE	PREMIUM
Automobile Liability Insurance				$107.40
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	Not Applicable	$57.02
Uninsured Motorists Insurance				$18.90
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	$200	
Underinsured Motorists Insurance			Not Applicable	$52.70
• Bodily Injury	$100,000	each person		
	$300,000	each accident		
• Property Damage	$100,000	each accident		
Automobile Medical Payments	$10,000	each person	Not Applicable	$33.46
Auto Collision Insurance	Actual Cash Value		$500	$271.89
Auto Comprehensive Insurance	Actual Cash Value		$500	$231.60
Total Premium for 10 BMW 528I				**$772.97**

DISCOUNTS Your premium for this vehicle reflects the following discounts:

Antilock Brakes	$48.47	The Good Hands People Program	$36.91	Premier Plus	$210.41
Good Payer	$36.91	Preferred Package	$153.97	Passive Restraint	$14.33

RATING INFORMATION

This vehicle is driven over 7,500 miles per year, 0-3 miles to work/school, married female age 49, good driver rate

Allstate Fire and Casualty Insurance Company

Policy Number : 9 55 612117 03/13 Your Agent: Franklin Sanders (843) 248-5200
Policy Effective Date: Sep. 13, 2012

COVERAGE FOR VEHICLE # 3

2012 Ram Trucks 1500 2wd

COVERAGE	LIMITS		DEDUCTIBLE	PREMIUM
Automobile Liability Insurance				$110.94
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	Not Applicable	$58.47
Uninsured Motorists Insurance				$18.90
• Bodily Injury	$100,000	each person	Not Applicable	
	$300,000	each accident		
• Property Damage	$100,000	each accident	$200	
Underinsured Motorists Insurance			Not Applicable	$52.70
• Bodily Injury	$100,000	each person		
	$300,000	each accident		
• Property Damage	$100,000	each accident		
Automobile Medical Payments	$10,000	each person	Not Applicable	$29.82
Auto Collision Insurance	Actual Cash Value		$500	$168.51
Auto Comprehensive Insurance	Actual Cash Value		$500	$160.22
Total Premium for 12 Ram Trucks 1500 2wd				**$599.56**

DISCOUNTS

Your premium for this vehicle reflects the following discounts:

Antilock Brakes	$37.57	The Good Hands People Program	$27.79	Premier Plus	$165.43
New Car	$94.79	Good Payer	$27.79	Preferred Package	$115.93
Passive Restraint	$12.78				

RATING INFORMATION

This vehicle is driven a maximum of 7,500 miles per year, for pleasure, married driver age 50, good driver rate

Allstate Fire and Casualty Insurance Company

Policy Number : 9 55 612117 03/13 Your Agent: Franklin Sanders (843) 248-5200
Policy Effective Date: Sep. 13, 2012

Your Policy Documents

Your auto policy consists of this Policy Declarations and the documents listed below. Please keep them together.
- South Carolina Auto Policy form AFA24
- South Carolina Dividend Provision form PDU79
- Claim Satisfaction Guarantee Endorsement AP4780

Important Payment and Coverage Information

Your rate is lower because you are insuring multiple cars.

IN WITNESS WHEREOF, Allstate has caused this policy to be signed by its Secretary and its President at Northbrook, Illinois, and if required by state law, this policy shall not be binding unless countersigned on the Policy Declarations by an authorized agent of Allstate.

Steven P. Sorenson
President

Mary J. McGinn
Secretary

AUTO *5100039120913030131005O5*



MARKEL INSURANCE COMPANY

4600 Cox Road
Glen Allen, VA 23060
(800) 431-1270

COMMERCIAL LINES POLICY DECLARATIONS

POLICY NUMBER: CCP20011712-01 **PREVIOUS POLICY NUMBER:** CCP20011712-00

COMPANY NAME	PRODUCER NAME 83820
Markel Insurance Company 4600 Cox Road Glen Allen, VA 23060 (800) 431-1270	Markel Service Incorporated 4501 Highwoods Pkwy, Suite 200 Glen Allen, VA 23060

NAMED INSURED: The Learning Station CDC, LLC
DBA: The Learning Station

MAILING ADDRESS: 690 Singleton Ridge Road
Conway, SC 29526

POLICY PERIOD: FROM 04/17/2014 **TO** 04/17/2015
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	Child Care Center

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. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
COMMERCIAL GENERAL LIABILITY COVERAGE PART	$1,888.00
COMMERCIAL PROPERTY COVERAGE PART	$7,067.00
TERRORISM - CERTIFIED ACTS (GENERAL LIABILITY)	EXCLUDED
TERRORISM - CERTIFIED ACTS (PROPERTY)	EXCLUDED
TOTAL:	$8,955.00

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SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
CCP20011712-01	04/17/2014

NUMBER	TITLE
	COMMON
MJIL 1000 (06-10)	Signature Page
MD 001-SC (07-02)	Commercial Lines Policy Declarations
IL 00 03 (09-08)	Calculation Of Premium
IL 00 17 (11-98)	Common Policy Conditions
IL 00 21 (09-08)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 01 94 (10-12)	South Carolina Changes - Legal Action Against Us
IL 02 49 (09-08)	South Carolina Changes - Cancellation And Nonrenewal
IL 09 35 (07-02)	Exclusion Of Certain Computer-Related Losses
IL 09 53 (01-08)	Exclusion of Certified Acts of Terrorism
IL 09 95 (01-07)	Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)
MIL 160 (07-08)	The Monument Endorsement
	PROPERTY
MD010 (09-95)	Commercial Property Coverage Part Declarations
CP 00 10 (10-12)	Building And Personal Property Coverage Form
CP 00 90 (07-88)	Commercial Property Conditions
CP 01 10 (07-88)	South Carolina Changes - Valuation
CP 01 40 (07-06)	Exclusion Of Loss Due To Virus Or Bacteria
CP 03 20 (10-92)	Multiple Deductible Form
CP 03 39 (06-07)	Windstorm Or Hail Percentage Deductible - South Carolina
CP 10 30 (10-12)	Causes of Loss - Special Form
CP 12 19 (06-07)	Additional Insured - Building Owner
MCP 031 (10-10)	Equipment Breakdown Enhancement Endorsement
MCP 1210 (04-13)	Premier Child Care Commercial Property Enhancement
MCP 1223 (04-13)	Business Income Actual Loss Sustained
MCP 1300 (04-13)	Fungus, Wet Rot, Dry Rot and Bacteria Exclusion
MCP-TERR-2 (01-08)	Confirmation of Exclusion of Certified Acts of Terrorism Coverage - Commercial Property Terrorism Risk Insurance Act
	GENERAL LIABILITY
MD011 (09-99)	Commercial General Liability Coverage Part Declarations
CG 00 01 (12-07)	Commercial General Liability Coverage Form
CG 00 68 (05-09)	Recording And Distribution Of Material Or Information In Violation Of Law Exclusion
CG 20 26 (07-04)	Additional Insured - Designated Person or Organization
CG 21 47 (12-07)	Employment-Related Practices Exclusion
CG 21 60 (09-98)	Year 2000 Computer-Related And Other Electronic Problems
CG 21 65 (12-04)	Total Pollution Exclusion With A Building Heating, Cooling And Dehumidifying Equipment Exception And A Hostile Fire Exception
CG 21 73 (01-08)	Exclusion of Certified Acts of Terrorism
CG 21 87 (01-07)	Conditional Exclusion of Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)
CG 21 96 (03-05)	Silica Or Silica-Related Dust Exclusion
CG 22 67 (10-93)	Corporal Punishment
CG 24 07 (01-96)	Products/Completed Operations Hazard Redefined
CG 24 26 (07-04)	Amendment of Insured Contract Definition

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

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

The following is added:

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

© ISO Properties, Inc., 2007

IL 00 17 11 98

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

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

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

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART – FARM LIVESTOCK COVERAGE FORM
FARM COVERAGE PART – FARM MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
STANDARD PROPERTY POLICY

A. The **Legal Action Against Us** Condition, in the Commercial Property Conditions, the Standard Property Policy, the Capital Assets Program Coverage Form (Output Policy), and in the Farm Forms listed above, is replaced by the following:

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part, Coverage Form or Policy to which this Condition applies unless:

1. There has been full compliance with all of the terms of this Coverage Part, Coverage Form or Policy; and
2. The action is brought within 3 years after the date on which the direct physical loss ("loss") or damage occurred.

B. Under the Commercial Property Coverage Part, Paragraph **(1)** of the **Legal Action Against Us** Condition in the Mortgageholders Errors And Omissions Coverage Form is replaced by the following:

(1) No one may bring a legal action against us under Coverages A and B unless:

(a) There has been full compliance with all of the terms of Coverages A and B; and

(b) The action is brought within 3 years after you discover the error or accidental omission.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

A. Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

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

7. **Cancellation Of Policies In Effect For 120 Days Or More**

   If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

   a. Nonpayment of premium;
   b. Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
   c. Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;
   d. Substantial breaches of contractual duties, conditions or warranties; or
   e. Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

   Prior to cancellation for reasons permitted in this Item e., we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

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

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

1. The failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

(1) Computer hardware, including microprocessors;

(2) Computer application software;

(3) Computer operating systems and related software;

(4) Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.

B. If an excluded Cause of Loss as described in Paragraph A. of this endorsement results:

1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or

2. Under the Commercial Property Coverage Part:

a. In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or

b. In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features.

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POLICY NUMBER: CCP20011712-01 IL 09 53 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

SCHEDULE

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

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

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

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

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

C. **Exception Covering Certain Fire Losses**

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

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

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POLICY NUMBER: CCP20011712-01

IL 09 95 01 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

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

SCHEDULE

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

State(s)	Coverage Form, Coverage Part Or Policy

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

A. Applicability Of The Provisions Of This Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part or Policy; or

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5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds $25,000,000. In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

   With respect to this Item **C.5.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Coverage Part or Policy.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

E. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of **C.1.** or **C.2.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
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 any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
COMMERCIAL PROPERTY
CAPITAL ASSETS
GARAGE
FARM

MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THE MONUMENT ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we", "us" and "our" refer to the company providing this insurance.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE FORM
CAPITAL ASSETS COVERAGE FORM
GARAGE COVERAGE FORM
FARM PROPERTY COVERAGE FORM
FARM LIABILITY COVERAGE FORM

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Insurance or Liability and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Business Travel Accidental Death Benefit	$50,000
Crisis Management	$25,000
Donation Assurance	$25,000
Emergency Real Estate Consulting Fee	$50,000
Identity Theft Expense	$25,000
Image Restoration and Counseling	$25,000
Key Individual Replacement Expense	$50,000
Kidnap Expenses	$50,000
Temporary Meeting Space Reimbursement	$50,000
Terrorism Travel Reimbursement	$50,000
Theft of Work Materials from Personal Areas	$ 2,500
Workplace Violence Counseling	$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of this policy or coverage part to which this endorsement is attached remain unchanged.

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(b) the donor shall be unemployed for at least 60 days prior to us making payment;

4. no coverage shall be afforded for a written pledge of funds or other measurable tangible property to you dated prior to the policy period;

5. a donation amount which is to be collected by you over more than a 12 month period shall be deemed a single donation.

D. Emergency Real Estate Consulting Fee

We will reimburse you any reasonable realtor's fee or real estate consultant's fee necessitated by your need to relocate due to the "unforeseeable destruction" of your principal location listed on the Declarations page during the policy period. The limit shown in the Schedule for this coverage will be the most we will reimburse per policy period for all Insureds combined. No deductible applies to this coverage.

E. Identity Theft Expense

We will reimburse any present Director or Officer of the Named Insured for reasonable "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of your first policy with us. The limit shown in the Schedule for this coverage will be the most we will reimburse per policy period for all Insureds combined. No deductible applies to this coverage.

F. Image Restoration and Counseling

We will reimburse to you expenses incurred for reasonable image restoration and counseling arising out of "improper acts" by any natural person Insured up to the limit shown in the Schedule per policy period for all Insureds combined. Covered expenses are limited to:

1. the costs of rehabilitation and counseling for the accused natural person Insured provided the natural person Insured is not ultimately found guilty of criminal conduct; said reimbursement to occur after acquittal of the natural person Insured;

2. the costs, charged by a recruiter or expended on advertising, of replacing an Officer as a result of "improper acts"; and

3. the costs of restoring the Named Insured's reputation and consumer confidence through image consulting.

No deductible applies to this coverage.

G. Key Individual Replacement Expenses

We will pay reasonable "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The "key individual replacement expenses" amount shall be the lesser of the limit shown in the Schedule or ten (10) times the annual premium paid for this policy. The limit shown in the Schedule will be the most we will pay per policy period. No deductible applies to this coverage.

H. Kidnap Expense

We will pay on behalf of any Officer or Director of the Named Insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner", parent or child during the policy period, subject to the limit shown in the Schedule each policy period. No deductible applies to this coverage. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. fees and expenses of an independent negotiator or consultant retained with our prior approval;

2. interest on any loan taken by you to pay damages covered under this policy provided; however, that we shall not be liable for any interest accruing prior to thirty (30) days preceding the date of such payment, nor subsequent to the date of reimbursement from us for any portion of damages recoverable under this policy;

3. costs of travel and accommodations incurred by you which become necessary due to the applicable kidnapping;

4. the reward paid by you, which is pre-approved by us, to an informant for information not otherwise available which leads to the arrest and conviction of persons responsible for any damages under this policy; and

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D. "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.

E. "Domestic Partner", whenever used in this endorsement, means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by you.

F. "Emergency travel expenses", whenever used in this endorsement, will mean:

1. hotel expenses incurred which directly result from the cancellation of a scheduled transport, by train or air, by a commercial transportation carrier resulting directly from and within forty eight hours of a "Certified Act of Terrorism"; and

2. the increased amount incurred in air or train fare which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "Certified Act of Terrorism".

G. "Failed donation claim", whenever used in this endorsement, will mean written notice to you during the Policy Period of:

1. the bankruptcy or reorganization of any donor where by such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable tangible property to you;

2. the unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable tangible property to the Insured.

H. "Identity Theft", whenever used in this endorsement, means the act of knowingly transferring or using, without lawful authority, a means of identification of any Officer or Director (or spouse thereof) of the Named Insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity Theft Expenses", whenever used in this endorsement, means:

1. costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

2. costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors;

3. loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts", whenever used in this endorsement, means any actual or alleged act of:

1. sexual abuse;

2. sexual intimacy;

3. sexual molestation; and/or

4. sexual assault;

committed by an Insured against any natural person who is not an Insured. Such "improper acts" must have been committed by the Insured while in his or her capacity as an Insured.

K. "Incident" means an accident or other event resulting in death or serious bodily injury to three or more persons. "Incident" shall also mean the accidental discharge of pollutants.

L. "Injury", whenever used in this endorsement, means any physical damage to the body caused by violence, fracture or an accident that results in physical damage or hurt.

M. "Insured's personal area" means any residence or automobile owned or rented by any Insured.

N. "Key individual replacement expenses", whenever used in this endorsement, means the following necessary expenses:

1. costs of advertising the employment position opening;

2. travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and

3. miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

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MARKEL INSURANCE COMPANY

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

Policy No: CCP20011712-01

Effective Date: 04/17/2014 , 12:01 A.M. Standard Time.
x Supplemental Declarations attached.

BUSINESS DESCRIPTION

Child Care Center

DESCRIPTION OF PREMISES

PREM. NO. BLDG. NO. LOCATION, CONSTRUCTION AND OCCUPANCY

SEE ATTACHED SUPPLEMENTAL DECLARATIONS

COVERAGES PROVIDED — INSURANCE AT THE DESCRIBED PREMISES APPLIES ONLY FOR COVERAGES FOR WHICH A LIMIT OF INSURANCE IS SHOWN

PREM. NO.	BLDG. NO.	COVERAGE	LIMIT OF INSURANCE	COVERED CAUSES OF LOSS	COINSURANCE+	RATES

SEE ATTACHED SUPPLEMENTAL DECLARATIONS

OPTIONAL COVERAGES APPLICABLE ONLY WHEN ENTRIES ARE MADE IN THE SCHEDULE

+IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENT

PREM. NO.	BLDG. NO.	AGREED VALUE EXPIRATION DATE	COVERAGE	AMOUNT	REPLACEMENT COST(X) BUILDING	PERSONAL INCLUDING PROPERTY "STOCK"	PERSONAL PROPERTY OF OTHERS

SEE ATTACHED SUPPLEMENTAL DECLARATIONS

PREM. NO.	BLDG. NO.	INFLATION GUARD(Percentage) BUILDING	PERSONAL PROPERTY	++MONTHLY LIMIT OF INDEMNITY (Fraction)	MAXIMUM PERIOD OF INDEMNITY (X)	++EXTENDED PERIOD OF INDEMNITY (Days)

++APPLIES TO BUSINESS INCOME ONLY

MORTGAGE HOLDER(S)

PREM. NO. BLDG. NO. MORTGAGE HOLDER NAME AND MAILING ADDRESS

SEE ATTACHED SUPPLEMENTAL DECLARATIONS

DEDUCTIBLE

See Property Deductible Forms
Exceptions:

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

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COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL DECLARATIONS

POLICY NO: CCP20011712-01 EFFECTIVE DATE: 04/17/2014

NAMED INSURED: The Learning Station CDC, LLC

COVERAGES PROVIDED Insurance At The Described Premises Applies Only For Coverages For Which A Limit Of Insurance Is Shown

Prem. No.	Bldg. No.	Coverage	Limit Of Insurance	Covered Causes Of Loss	Coinsurance*
001	001	Building	$1,102,500	Special Form Including Theft	80%
		Personal Property of Insured	$250,000	Special Form Including Theft	80%
001	002	Building	$25,000	Special Form Including Theft	80%
001	003	Building	$30,000	Special Form Including Theft	80%

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

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COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL DECLARATIONS

POLICY NO: CCP20011712-01 EFFECTIVE DATE: 04/17/2014

NAMED INSURED: The Learning Station CDC, LLC

MORTGAGEHOLDERS

Prem. No.	Bldg. No.	Mortgageholder Name And Mailing Address
001	001	Crescom Bank P.O. Box 3050 Myrtle Beach, SC 29578 Account: N/A

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

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

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

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

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

(1) Completed additions;

(2) Fixtures, including outdoor fixtures;

(3) Permanently installed:

(a) Machinery; and

(b) Equipment;

(4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

(a) Fire-extinguishing equipment;

(b) Outdoor furniture;

(c) Floor coverings; and

(d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure;

(b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

(1) Furniture and fixtures;

(2) Machinery and equipment;

(3) "Stock";

(4) All other personal property owned by you and used in your business;

(5) Labor, materials or services furnished or arranged by you on personal property of others;

(6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

(a) Made a part of the building or structure you occupy but do not own; and

(b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

(1) In your care, custody or control; and

(2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

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(b) Vehicles or self-propelled machines, other than autos, you hold for sale;

(c) Rowboats or canoes out of water at the described premises; or

(d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or

q. The following property while outside of buildings:

(1) Grain, hay, straw or other crops;

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. **Covered Causes Of Loss**

See applicable Causes Of Loss form as shown in the Declarations.

4. **Additional Coverages**

a. **Debris Removal**

(1) Subject to Paragraphs (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

(a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;

(b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

(c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;

(d) Remove property of others of a type that would not be Covered Property under this Coverage Form;

(e) Remove deposits of mud or earth from the grounds of the described premises;

(f) Extract "pollutants" from land or water; or

(g) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4), the following provisions apply:

(a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

(b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is $5,000 at each location.

(4) We will pay up to an additional $25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

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d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

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

The most we will pay under this Additional Coverage for each described premises is $10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

(1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

(2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.

(3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

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

(b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

(a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

(6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is $10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of $10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

(i) Until the property is actually repaired or replaced at the same or another premises; and

(ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

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(4) The most we will pay under this Additional Coverage, Electronic Data, is $2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at locations, other than the described premises, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is $250,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is $100,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

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Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

(1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

(2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.

(3) Coverage under this Extension:

(a) Will end 90 days after the business personal property has been placed in the storage unit;

(b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.

(4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is $10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.

(5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

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

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is $2,500 per sign in any one occurrence.

(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

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

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

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

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

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

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

e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

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

g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

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The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

(1) Awnings or floor coverings;

(2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) Outdoor equipment or furniture.

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

d. Glass at the cost of replacement with safety-glazing material if required by law.

e. Tenants' Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

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

(1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

(2) Divide the Limit of Insurance of the property by the figure determined in Step (1);

(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and

(4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When:	The value of the property is:	$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	$ 100,000
	The Deductible is:	$ 250
	The amount of loss is:	$ 40,000

Step (1): $250,000 x 80% = $200,000
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $100,000 ÷ $200,000 = .50

Step (3): $40,000 x .50 = $20,000

Step (4): $20,000 – $250 = $19,750

We will pay no more than $19,750. The remaining $20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	$ 200,000
	The Deductible is:	$ 250
	The amount of loss is:	$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than $39,750 ($40,000 amount of loss minus the deductible of $250).

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b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

(1) On or after the effective date of this Optional Coverage; and

(2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. **Inflation Guard**

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

(2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If:	The applicable Limit of Insurance is:	$ 100,000
	The annual percentage increase is:	8%
	The number of days since the beginning of the policy year (or last policy change) is:	146
	The amount of increase is: $100,000 x .08 x 146 ÷ 365 =	$ 3,200

3. **Replacement Cost**

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Personal property of others;

(2) Contents of a residence;

(3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. We will not pay on a replacement cost basis for any loss or damage:

(1) Until the lost or damaged property is actually repaired or replaced; and

(2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of **(1)**, **(2)** or **(3)**, subject to **f.** below:

(1) The Limit of Insurance applicable to the lost or damaged property;

(2) The cost to replace the lost or damaged property with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in **e.(2)** above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

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COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

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

B. CONTROL OF PROPERTY

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

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

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

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
   a. During the policy period shown in the Declarations; and
   b. Within the coverage territory.
2. The coverage territory is:
   a. The United States of America (including its territories and possessions);
   b. Puerto Rico; and
   c. Canada.

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POLICY NUMBER: CCP20011712-01 COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES - VALUATION

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS' RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
STANDARD PROPERTY POLICY

SCHEDULE*

Prem. No.	Bldg. No.	Agreed Value of Buildings	Total Amount of Insurance to be Carried
001	001	$1,102,500	$1,102,500
001	002	$25,000	$25,000
001	003	$30,000	$30,000

A. When this endorsement is attached to the STANDARD PROPERTY POLICY CP 00 99 the term Coverage Part in this endorsement is replaced by the term Policy.

B. The following is added to VALUATION Loss Condition:

1. For loss or damage to buildings caused by or resulting from fire or lightning, you and we agree that:
   a. The value of buildings described in this Coverage Part; and
   b. The total amount of insurance to be carried on the buildings, including this Coverage Part;

   are the amounts shown in the Schedule.
2. The following applies to the Builders' Risk Coverage Form, or the Builders' Risk Changes – Standard Property Policy, if applicable:

   The Agreed Value of Buildings represents the value of the building when it is completed.

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

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COMMERCIAL PROPERTY
CP 01 40 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

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

B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

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

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

D. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

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

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POLICY NUMBER: CCP20011712-01

COMMERCIAL PROPERTY
CP 03 20 10 92

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MULTIPLE DEDUCTIBLE FORM

(FIXED DOLLAR DEDUCTIBLES)

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS' RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE *

The Deductibles applicable to any one occurrence are shown below:

Prem. No.	Bldg. No.	Deductible	Covered Causes of Loss **
001	001	$1,000	(2)
001	002	$1,000	(2)
001	003	$1,000	(2)

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

** For each deductible listed in this Schedule, enter the number corresponding to the Covered Cause(s) of Loss to which that deductible applies (or enter the description):

(1) All Covered Causes of Loss
(2) All Covered Causes of Loss **except** Windstorm or Hail
(3) All Covered Causes of Loss **except** Theft
(4) All Covered Causes of Loss **except** Windstorm or Hail and Theft
(5) Windstorm or Hail
(6) Theft

The following is added to the DEDUCTIBLE section:

A. In the event that loss or damage occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule above or in the Declarations, will apply.

B. The terms of this endorsement do not apply to any Earthquake Deductible or to any Windstorm or Hail Percentage Deductible provided elsewhere in this policy.

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Original

POLICY NUMBER: CCP20011712-01

COMMERCIAL PROPERTY
CP 03 39 06 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE - SOUTH CAROLINA

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUILDERS RISK COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage - Enter 1%, 2% Or 5%
001	001	5%
001	002	5%
001	003	5%

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

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR NAMED STORM OR WIND/HAIL LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU. THE ENCLOSED EXAMPLE ILLUSTRATES HOW THE DEDUCTIBLE MIGHT AFFECT YOU.

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

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D. Calculation Of The Deductible - Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the actual cash value(s) shown in the most recent Report of Values on file with us.

However

a If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

EXAMPLES - APPLICATION OF DEDUCTIBLE:

EXAMPLE #1 - SPECIFIC INSURANCE (B.1.)

The amount of loss to the damaged building is $60,000

The value of the damaged building at time of loss is $140,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the Coinsurance requirement is $112,000 (80% of $140,000).

The actual Limit of Insurance on the damaged building is $100,000.

The Deductible is 1%.

Step (1): $100,000 ÷ $112,000 = .893
Step (2): $60,000 X .893 = $53,580
Step (3): $100,000 X 1% = $1,000
Step (4): $53,580 - $1,000 = $52,580

The most we will pay is $52,580. The remainder of the loss, $7,420, is not covered due to the Coinsurance penalty for inadequate insurance (Steps (1) and (2)) and the application of the Deductible (Steps (3) and (4)).

EXAMPLE #2 - SPECIFIC INSURANCE (B.1.)

The amounts of loss to the damaged property are $60,000 (Building) and $40,000 (Personal Property in building).

The value of the damaged building at time of loss is $125,000. The value of the personal property in that building is $80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the coinsurance requirement are $100,000 (80% of $125,000) for the building and $64,000 (80% of $80,000) for the personal property.

The actual Limits of Insurance on the damaged property are $100,000 on the building and $64,000 on the personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

BUILDING

Step (1): $100,000 X 2% = $2,000
Step (2): $60,000 - $2,000 = $58,000

PERSONAL PROPERTY

Step (1): $64,000 X 2% = $1,280
Step (2): $40,000 - $1,280 = $38,720

The most we will pay is $96,720. The portion of the total loss not covered due to application of the Deductible is $3,280.

EXAMPLE #3 - BLANKET INSURANCE (C.1.)

The sum of the values of Building #1 ($500,000), Building #2 ($500,000) and Building #3 ($1,000,000), as shown in the most recent Statement of Values on file with us, is $2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is $1,800,000 (90% of $2,000,000).

The actual Blanket Limit of Insurance covering Buildings #1, #2, and #3, shown in the Declarations, is $1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of loss to these buildings are $40,000 (Building #1) and $20,000 (Building #2).

The Deductible is 2%.

BUILDING #1

Step (1): $500,000 X 2% = $10,000
Step (2): $40,000 - $10,000 = $30,000

BUILDING #2

Step (1): $500,000 X 2% = $10,000
Step (2): $20,000 - $10,000 = $10,000

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CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section G. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

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

   a. Ordinance Or Law

   The enforcement of or compliance with any ordinance or law:

   (1) Regulating the construction, use or repair of any property; or

   (2) Requiring the tearing down of any property, including the cost of removing its debris.

   This exclusion, Ordinance Or Law, applies whether the loss results from:

   (a) An ordinance or law that is enforced even if the property has not been damaged; or

   (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

   b. Earth Movement

   (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;

   (2) Landslide, including any earth sinking, rising or shifting related to such event;

   (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

   (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

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

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

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

   (a) Airborne volcanic blast or airborne shock waves;

   (b) Ash, dust or particulate matter; or

   (c) Lava flow.

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

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

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

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This exclusion does not apply:

(1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or

(2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

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

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

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

(a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

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

b. Delay, loss of use or loss of market.

c. Smoke, vapor or gas from agricultural smudging or industrial operations.

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.d.(1) through (7) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

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

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4. **Special Exclusions**

The following provisions apply only to the specified Coverage Forms:

a. **Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form**

We will not pay for:

(1) Any loss caused by or resulting from:

(a) Damage or destruction of "finished stock"; or

(b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

(3) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(5) Any other consequential loss.

b. **Leasehold Interest Coverage Form**

(1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

c. **Legal Liability Coverage Form**

(1) The following exclusions do not apply to insurance under this Coverage Form:

(a) Paragraph **B.1.a.** Ordinance Or Law;

(b) Paragraph **B.1.c.** Governmental Action;

(c) Paragraph **B.1.d.** Nuclear Hazard;

(d) Paragraph **B.1.e.** Utility Services; and

(e) Paragraph **B.1.f.** War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) **Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

(b) **Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

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3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):
   a. $2,500 for furs, fur garments and garments trimmed with fur.
   b. $2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.
   c. $2,500 for patterns, dies, molds and forms.
   d. $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

   These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

   This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.
4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:
   a. Results in discharge of any substance from an automatic fire protection system; or
   b. Is directly caused by freezing.

   However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
   a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
   b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
   c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
   d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
      (1) A cause of loss listed in **2.a.** or **2.b.**;
      (2) One or more of the "specified causes of loss";
      (3) Breakage of building glass;
      (4) Weight of people or personal property; or
      (5) Weight of rain that collects on a roof.
3. This **Additional Coverage – Collapse** does not apply to:
   a. A building or any part of a building that is in danger of falling down or caving in;
   b. A part of a building that is standing, even if it has separated from another part of the building; or
   c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
4. With respect to the following property:
   a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

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4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

   If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

   a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

   b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. **Additional Coverage Extensions**

   1. **Property In Transit**

      This Extension applies only to your personal property to which this form applies.

      a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

      b. Loss or damage must be caused by or result from one of the following causes of loss:

         (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

         (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

         (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

      c. The most we will pay for loss or damage under this Extension is $5,000.

      This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

   2. **Water Damage, Other Liquids, Powder Or Molten Material Damage**

      If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

   3. **Glass**

      a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

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POLICY NUMBER: CCP20011712-01

COMMERCIAL PROPERTY
CP 12 19 06 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - BUILDING OWNER

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

SCHEDULE

Premises Number:	001	**Building Number:**	001
Building Description:	Childcare Facility		
Building Owner Name:	Eagle South Rentals DC, LLC		
Building Owner Address:	1529 Bellini Court Myrtle Beach, SC 29579		
Premises Number:		**Building Number:**	
Building Description:			
Building Owner Name:			
Building Owner Address:			
Premises Number:		**Building Number:**	
Building Description:			
Building Owner Name:			
Building Owner Address:			

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

The building owner identified in this endorsement is a Named Insured, but only with respect to the coverage provided under this Coverage Part or Policy for direct physical loss or damage to the building(s) described in the Schedule.

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COMMERCIAL PROPERTY

POLICY NUMBER: CCP20011712-01

MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM

When a limit and/or Deductible is shown in the **Schedule** below, the coverage limit replaces the limit provided within this **Equipment Breakdown Enhancement Endorsement**, and the Deductible replaces the Deductible provided in the **Coverage Form** on which this endorsement is attached.

SCHEDULE

The Limits and/or Deductible shown in this Schedule apply to the following:		
COVERAGE	**LIMITS**	**DEDUCTIBLE: (Dollar)**
Equipment Breakdown Coverage Pollutant Clean Up and Removal Refrigerant Contamination Spoilage Coverage		$1,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. COVERAGE

4. Additional Coverages

The following **Additional Coverages** are added:

- **Pollutant Clean Up And Removal**

  We will pay for the Pollutant Clean Up and Removal for loss resulting from an "equipment breakdown". The most we will pay for the Pollutant Clean Up and Removal is $250,000, unless a higher limit is provided in the Schedule of this endorsement. In that case, whichever limit is greater will apply.

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

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a. The cost to repair the damaged property and replace any lost CFC refrigerant;

b. The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or

c. The cost to replace the system with one using a non-CFC refrigerant.

- **Computer Equipment**

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

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

- **Media Or Data**

We will pay for loss or damage to your "media" or "data" caused by an "equipment breakdown". We will pay for your cost to research, replace, restore all forms of electronic and magnetic tapes and disks and "data" and the costs to reprogram instructions for use in any covered electronic computer or electronic data processing equipment.

We will not pay to reproduce:

1. Software programs or operating systems that are not commercially available; or
2. "Data" that is obsolete, unnecessary or useless to you.

The most we will pay for loss or damage under this coverage for "media" and "data" is $25,000.

If "media" is damaged or "data" is lost or corrupted, we will pay your actual loss of Business Income and Extra Expense during the time necessary to:

1. Research, replace or restore the damaged "media" or lost or corrupted "data"; and
2. Reprogram instructions used in any covered "computer equipment".

There shall be no coverage for any "media" or "data" that we determine is not or cannot be replaced or restored.

We will pay the lesser of your actual loss of Business Income and Extra Expense up to 30 days after the "period of restoration" or $25,000.

"Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

"Data" means information or instructions used by computers or computerized equipment.

"Restoration period" means the period of time that:

1. Begins at the time of the occurrence or 24 hours before we receive notice of occurrence, whichever one is later; and
2. Ends 5 consecutive days after the date when the damaged property at the premises described in the Declarations is repaired or replaced with reasonable speed and similar quality.

- **Ordinance Or Law Coverage**

The following applies, and provided these increases in loss are necessitated by the enforcement of any laws or ordinances that are in force at the time of the "equipment breakdown", which regulate the demolition, construction, repair or use of the building or structure. With respect to the building or structure that was damaged as a result of an "equipment breakdown":

1. We will pay for:
   a. The loss in value of the undamaged portion of the building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of undamaged parts of the same building or structure;
   b. Your actual cost to demolish the building or structure and clear the site of the undamaged parts of the same building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of such undamaged property; and
   c. The increased cost actually and necessarily expended to:
      (1) Repair or reconstruct the damaged or destroyed portions of the building or structure; and
      (2) Reconstruct or remodel the undamaged portions of that building or structure intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or

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loss during the additional time required for repair or replacement of Covered Property, consistent with "green", in the coverages above.

We will not pay more than 125%, up to a maximum limit of $100,000, of what the cost would have been to repair or replace with equipment of like-kind and quality inclusive of fees, costs, and any Business Income and Extra Expense loss incurred as stated above.

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

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

D. DEDUCTIBLE

If a Deductible is shown in the Schedule of this endorsement, it will replace the Deductible provided in the Coverage Form on which this endorsement is attached as follows:

1. Application Of Deductibles

We will not pay for loss or damage resulting from any one occurrence until the amount of a covered loss or damage exceeds the Deductible shown in the Schedule. We will then pay the amount of covered loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

When the initial occurrence causes another occurrence, all will be considered one occurrence. All occurrences at any one location that manifest themselves at the same time and are the result of the same cause will be considered one occurrence.

2. Determination Of Deductibles

a. Dollar Deductible

If a Dollar Deductible is shown in the Schedule, we will first subtract the Deductible amount from any loss we would otherwise pay.

F. ADDITIONAL CONDITIONS

The following **Additional Conditions** are added:

- **Suspension**

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

1. Your last known address; or
2. The address where the property is located.

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

- **Jurisdictional Inspections**

If any Covered Property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

H. DEFINITIONS

The following **Definitions** are added:

"Equipment breakdown" as used herein means:

a. Physical loss or damage both originating within:

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

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CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - SPECIAL FORM

A. COVERED CAUSES OF LOSS

The following **Covered Causes of Loss** is added: "equipment breakdown".

B. EXCLUSIONS

The following **Exclusions B.2.** are deleted from the **CAUSES OF LOSS - BASIC FORM:**

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this Exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

(a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

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

d. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

e. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

The following **Exclusions B.2.** are deleted from the **CAUSES OF LOSS - BROAD FORM:**

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this Exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

(a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

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

b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

c. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

The following **Exclusions B.2.** are deleted from the **CAUSES OF LOSS - SPECIAL FORM:**

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this Exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

(a) Electrical current, including arcing;

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CAST & SHOOT ENHANCEMENT
PRO GUIDE PLUS ENHANCEMENT

The following is deleted from the Exclusions for **PROCESSORS COVERAGE:**

(6) Artificially generated current causing a short circuit or other electrical disturbance within an article covered under this Coverage Form. But, if artificially generated current, as described above, results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form. This Exclusion only applies to loss or damage to that article in which the disturbance occurs.

All other terms and conditions remain the same.

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COMMERCIAL PROPERTY

Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIER CHILD CARE COMMERCIAL PROPERTY ENHANCEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM

The following coverages and extensions are added to this policy as detailed below. These coverages and extensions apply separately to each of your premises described in the Declarations. As respects any coverage provided by this endorsement, if higher limits are provided on any other Schedule, Declarations or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible. The Deductible provisions do not preclude the imposition of any applicable coverage waiting period, as stated in a specific coverage section of this endorsement. Unless a separate Deductible amount is shown in a specific coverage section of this endorsement, we will not pay for loss or damage in any one occurrence under any coverage on this endorsement until the amount of loss or damage exceeds the lesser of the Building or Business Personal Property Deductible applicable to the highest valued building on the Schedule at the covered location at the time of loss. Deductibles do not reduce the amount of insurance.

AMENDMENTS TO COVERAGES UNDER THE BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

SCHEDULE OF COVERAGES	LIMIT OF INSURANCE
Broadened Definition of Building	*
Broadened Definition of Business Personal Property	*
Debris Removal	$50,000
Preservation Of Property	180 days
Fire Department Service Charge	Actual Loss Sustained
Pollutant Clean-up And Removal	$25,000
Ordinance Or Law	
Loss Of Value Of The Undamaged Portion	Up to Building Limit
Demolition Cost And Increased Cost Of Construction	Combined Limit: $500,000
Electronic Data Processing (Including Extra Expense, Software And Transit)	$100,000
Business Income And Extra Expense	$300,000
Civil Authority	Included in the Business Income And Extra Expense Limit
Alterations And New Buildings	Included in the Business Income And Extra Expense Limit
Extended Business Income	Included in the Business Income And Extra Expense Limit
Interruption Of Computer Operations	$2,500
Utility Services – Business Income	$50,000
Business Income From Dependent Properties	$25,000
Ordinance Or Law – Increased Period Of Restoration	$25,000
Business Income Coverage Extension – Newly	$250,000

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AMENDMENTS TO COVERAGES UNDER THE CAUSES OF LOSS - SPECIAL FORM:

SCHEDULE OF COVERAGES	LIMIT OF INSURANCE
Continuous Or Repeated Seepage	*
Liquids, Powder Or Molten Metals	*
Personal Property In The Open	*
Theft Loss To Fur, Fur Garments	$5,000
Theft Loss To Jewelry, Watches, Watch Movements	$5,000
Theft Loss To Gold, Silver, Platinum And Alloys Used In Manufacturing	$25,000
Theft Loss To Building Materials And Supplies Not Attached As Part Of The Building Or Structure	*
Builders' Machinery, Tools And Equipment	*
Patterns, Dies And Molds	*
Property In Transit	$50,000
Lock Replacement	$5,000

* A sublimit does not apply to this coverage. Coverage is included within the applicable Building or Business Personal Property limit.

If two or more of this endorsement's Coverages, Additional Coverages or Extensions apply to the same loss, the most that we will pay for that loss is the actual amount of loss or damage, but no more than the highest Limit of Insurance for the Coverages, Additional Coverages or Extensions that applies.

I. **THE BUILDING AND PERSONAL PROPERTY COVERAGE FORM IS AMENDED AS FOLLOWS:**

A. The following are added to Building in the Coverage section:

Miscellaneous structures and outdoor fixtures, including:

(a) Tent platforms;

(b) Pavilions and shelters;

(c) Docks, piers, floats, beach and diving platforms and appurtenances;

(d) Boat and canoe racks;

(e) Athletic backstops, surfaces and enclosures;

(f) Climbing walls, climbing structures and climbing towers; however the following is not covered: adventure courses, which are defined as rope courses including the ropes, poles, supporting structures, cables and pulleys;

(g) Swimming pools;

(h) Pumps, filters and metal smoke stacks;

(i) Above ground transmission lines;

(j) Roadways, walks, patios and other paved surfaces;

(k) Foundations of your buildings or structures if their foundations are below the basement floor or the surface of the ground, if there is no basement;

(l) Retaining walls;

(m) Awnings; and

(n) Antennas, including satellite dishes.

These additional items are deleted from Property Not Covered, where applicable.

B. The following are added to Your Business Personal Property in the Coverage section:

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(b) The actual debris removal expense exceeds 25% of the sum of the Deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the limit for Debris Removal shown on the Schedule of this endorsement.

Preservation of Property

The number of days in Paragraph (2) is increased from 30 days to 180 days.

Fire Department Service Charge

Fire Department Service Charge is replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay the actual amount charged for service at each premises described in the Declarations. We will pay the actual amount charged regardless of the number of responding fire departments or fire units and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

Pollutant Clean-up And Removal

The Limit of Insurance for Pollutant Clean-up And Removal is replaced by the limit shown in the Schedule of this endorsement.

Ordinance Or Law

a. The following replaces the Additional Coverage, Increased Cost Of Construction:

(1) Application of Coverages

(a) The Coverages provided by this provision apply only if a.(1)(a)(i) through a.(1)(a)(iv) are satisfied and then subject to the qualifications set forth in a.(1)(b):

(i) The ordinance or law:

i. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

ii. Is in force at the time of loss.

But coverage under this provision applies only in response to minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this provision.

(ii) When the building sustains direct physical damage that is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law;

(iii) When the building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law;

(iv) Except if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this provision even if the building has also sustained covered direct physical damage.

(b) In the situation described in a.(1)(a)(iii), we will not pay the full amount of loss otherwise payable under this coverage. Instead, we will pay a proportion of such loss, meaning the proportion of the loss that the covered direct physical damage bears to the total physical damage.

However if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of this coverage.

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the Declarations as applicable to the covered building.

(b) The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost Of Construction is the limit shown in the Schedule of this endorsement.

(c) The following loss payment provisions also apply:

(i) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

(ii) With respect to Increased Cost Of Construction:

i. We will not pay for Increased Cost Of Construction until the property is actually repaired or replaced at the same or another premises and unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

ii. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost Of Construction is the increased cost of construction at the same premises.

iii. If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost Of Construction is the increased cost of construction at the new premises.

(5) The terms of this coverage apply separately to each building to which this coverage applies.

b. The Ordinance Or Law exclusion in the **CAUSES OF LOSS – SPECIAL FORM** is deleted in its entirety.

Electronic Data Processing Equipment Including Extra Expense, Software And Transit

Electronic Data is replaced by the following:

(1) We will pay for:

(a) Loss or damage to equipment, meaning your electronic data processing, word processing and telecommunications equipment, including their component parts.

(b) Loss or damage to software, meaning electronic data, computer programs and media:

(i) Electronic data has the meaning described under Property Not Covered, Electronic Data.

(ii) Media means the material on which electronic data is recorded.

(c) Extra Expense, meaning necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property:

(i) To avoid or minimize the "suspension" of business and to continue your normal "operations":

i. At the described premises; or

ii. At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;

(ii) To minimize "suspension" of business if you cannot continue your normal "operations"; or

(iii) To repair or replace the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that otherwise would have been payable under this Extra Expense coverage.

(d) Loss or damage to duplicate electronic data and media:

We will pay up to the limit shown in the Schedule of this endorsement in any one occurrence for loss to duplicate or back-up electronic data and media which are stored at premises other than those shown in the Declarations.

(2) We will pay up to the limit stated in the Schedule of this endorsement for the actual and necessary Extra Expense you sustain due to direct physical loss of or damage to:

(a) Electronic data processing equipment, word processing equipment, telecommunications equipment or electronic data and media, which you own, lease or is under your control and is at your described premises or in transit;

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This Additional Coverage does not apply to your "stock" of pre-packaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

E. The following **Additional Coverages** are added:

Business Income And Extra Expense

(1) Coverage

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises that are described in the Declarations of the policy to which this endorsement is attached. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of such premises.

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

(a) The portion of the building which you rent, lease or occupy;

(b) The area within 1,000 feet of the building or within 1,000 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and

(c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

(2) Business Income

Business Income means the:

(a) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

(b) Continuing normal operating expenses incurred, including payroll.

Business Income includes, but is not limited to: tuition and fees including room, board and income from such sources as laboratory fees, bookstores, athletic events, research grants, canteens, vending machines, electronic game machines, sales of supplies, food and beverages, other sundries, organized trips, gift items, clothing and other miscellaneous programs offered by you.

The term Business Income includes "rental value".

(3) Extra Expense

Extra Expense means the necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

(a) Avoid or minimize the "suspension" of business and to continue "operations" at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

(b) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

(4) Covered Causes Of Loss

See applicable Causes of Loss form as shown in the Declarations.

(5) Additional Limitation – Interruption Of Computer Operations

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(i) If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

i. Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and either "operations" are resumed or tenantability is restored; and

ii. Ends on the earlier of:

(aa) The date you could restore your "operations" or restore tenant occupancy, with reasonable speed, to the level which would generate the business income amount or "rental value" that would have existed if no direct physical loss or damage had occurred; or

(bb) 90 consecutive days after the date determined in (c)(i) above.

(ii) If you operate a seasonal business, we will pay for the actual loss of Business Income you sustain during any seasonal term following the date the property is actually repaired, rebuilt or replaced, if that date is 30 days or less before the scheduled opening of the next seasonal term.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(d) Interruption Of Computer Operations

(i) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data.

(ii) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph (5)(d) of this section.

(iii) With respect to this Additional Coverage, the Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

(iv) The most we will pay under this Additional Coverage, Interruption Of Computer Operations is the limit shown in the Schedule of this endorsement for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(v) The Additional Coverage, Interruption Of Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (iv) above has not been exhausted.

(e) Utility Services – Business Income

(i) Coverage

Your coverage for Business Income and Extra Expense, as provided and limited in this endorsement, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the types of property described below.

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a "suspension" of "operations" caused by destruction or corruption of electronic data or any loss or damage to electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

(ii) The following is added to (10)(c)(iii) Resumption Of Operations below as respects this Additional Coverage, Business Income From Dependent Properties:

We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available source of materials or outlets for your products.

(iii) The most we will pay under this Additional Coverage, Business Income From Dependent Properties, is the limit shown in the Schedule of this endorsement.

(g) Ordinance Or Law – Increased Period Of Restoration

(i) If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the actual and necessary loss you sustain during the increased period of "suspension" of "operations" caused by or resulting from the enforcement of or compliance with any ordinance or law that:

i. Regulates the construction or repair of any property;

ii. Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and

iii. Is in force at the time of the loss.

(ii) However, coverage is not extended under this Additional Coverage to include loss caused by or resulting from enforcement of or compliance with any ordinance or law which requires any insured to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

The most we will pay under this Additional Coverage, Ordinance Or Law – Increased Period Of Restoration, is the limit shown in the Schedule of this endorsement.

(7) Business Income Coverage Extension – Newly Acquired Locations

(a) You may extend your Business Income and Extra Expense coverages to apply to property at any location you acquire other than fairs or exhibitions.

(b) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred at each location is the limit shown in the Schedule of this endorsement.

(c) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(i) This policy expires;

(ii) 90 days expire after you acquire or begin to construct the property; or

(iii) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

(8) Exclusions And Limitations

See applicable Causes of Loss form as shown in the Declarations. The Special Exclusions applicable to Business Income and Extra Expense also apply.

(9) Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable limit shown in the Schedule of this endorsement.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

(a) Alterations And New Buildings;

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ii. Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

(iv) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

(v) Loss Payment:

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Form and:

i. We have reached agreement with you on the amount of loss; or

ii. An appraisal award has been made.

No Deductible applies to this Additional Coverage.

Refrigerated Goods Spoilage

(1) We will pay for direct physical loss of or damage to "perishable stock" at or within 1,000 feet of the building, structure or premises described in the Declarations and that is owned by you or by others that is in your care, custody or control, caused by spoilage due to change in temperature or humidity resulting from:

(a) Mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such apparatus is at or within 1,000 feet of the building, structure or premises described in the Declarations; and

(b) Contamination by refrigerant; or

(c) Complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

(2) Section A. Paragraph 5. Coverage Extensions of the Coverage Form does not apply.

(3) Section B. Exclusions And Limitations of the Coverage Form is amended as follows:

(a) Only the following exclusions contained in Paragraph B.1. of the **CAUSES OF LOSS – SPECIAL FORM** apply to this coverage: Earth Movement; Governmental Action; Nuclear Hazard; War And Military Action; and Water.

(b) The following exclusions are added:

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

(1) The disconnection of any refrigerating, cooling or humidity control system from the source of power;

(2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;

(3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to lack of fuel or governmental order;

(4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand;

(5) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

(4) A $500 Deductible applies to this Additional Coverage.

(5) The most we will pay under this Additional Coverage for loss or damage in any one occurrence is the limit shown in the Schedule of this endorsement.

Accounts Receivable

(1) We will pay for loss of or damage to your records of accounts receivable:

(a) At a described premises or in or on a vehicle in transit between described premises; or

(b) If the records must be removed from a described premises to protect them from the threat of a Covered Cause of Loss, we will pay for the loss while accounts receivable are:

(i) At a safe place away from your described premises; or

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(a) Delay, loss of use, loss of market or any other consequential loss.

(b) Dishonest or criminal act (including theft) committed by:

(i) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees or authorized representatives;

(ii) A manager or a member if you are a limited liability company; or

(iii) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

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

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

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

(c) Any repair, restoration or retouching of the Covered Property.

(d) Wear and tear, any quality in the property that causes it to damage or destroy itself, damage by "pollutants", gradual deterioration, or damage from insects, vermin or rodents. But if loss by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

(e) Theft by any person (except "carriers" for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. This exclusion applies whether or not an act occurs during your normal hours of operation.

(4) You must agree that:

(a) Covered Property will be packed and unpacked by professional packers.

(b) In the case of loss or damage to any part of sets or pairs, we may:

(i) Repair or replace any part to restore the pair or set to its value before the loss or damage; or

(ii) Pay the difference between the value of the pair or set before and after the loss or damage.

(5) Valuation will be determined as follows:

The value will be the least of:

(a) The market value of that property;

(b) The amount for which you are liable, if the property belongs to another;

(c) The cost of reasonably restoring that property to its condition immediately before a loss;

(d) The cost of replacing that property with substantially identical property; or

(e) The amount of insurance stated in this Additional Coverage.

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

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

Exhibition Coverage

(1) We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

Covered Property means Your Business Personal Property or personal property of others in your care, custody or control, but only while such property is:

(a) At an exhibition;

(b) Held in temporary storage awaiting:

(i) The setup of the exhibition; or

(ii) Its return to its destination following the exhibition; or

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(e) Jewelry, costume jewelry, precious or semiprecious stones, gold, silver, platinum or other precious metals or alloys;

(f) Furs or garments trimmed with fur;

(g) Property while waterborne. However, we will cover property while aboard vessels on inland waterways when the waterborne transportation is incidental to the land portion of the journey; or

(h) Contraband, or property in the course of illegal transportation or trade.

(3) Valuation will be determined as follows:

The value will be the least of the following:

(a) The actual cash value of the property;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage;

(c) The cost of replacing that property with substantially identical property; or

(d) The amount of insurance stated in this Additional Coverage.

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

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

Processors' Coverage

(1) We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

Covered Property means property that is owned by you or the property of others for which you are legally liable; but only while such property is:

(a) In the care, custody or control of a processor; or

(b) In due course of transit to or from a processor;

for the purpose of performing work upon the property.

(2) Property Not Covered means:

(a) Accounts, bills, currency, deeds, evidences of debt, "money", notes or "securities";

(b) Property at, or in transit to or from, a processor that you own, lease or operate;

(c) Property while in the mail; or

(d) Contraband, or property in the course of illegal transportation or trade.

(3) Valuation will be determined as follows:

The value will be the least of:

(a) The actual cash value of the property;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage;

(c) The cost of replacing that property with substantially identical property;

(d) The value of property that is unfinished at the time of loss which may include the value of labor, materials or services furnished by the processor, if you have paid the processor for such labor, materials or services. However, the value of the property will not exceed the cost to replace such property; or

(e) The amount of insurance stated in this Additional Coverage.

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

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

Exhibition Coverage, Salespersons' Samples Coverage And Processors' Coverage – Exclusions

The following exclusions apply to Exhibition Coverage, Salespersons' Samples Coverage and Processors' Coverage.

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(12)Improper packing or stowage, or rough handling.

(13)Theft by any person (except "carriers" for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

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

Fire Protection Device Recharge

We will pay the actual cost to recharge or refill your fire protective devices that are permanently installed in buildings at described premises. This coverage only applies when such devices have been discharged while being used to combat a covered fire at the premises described in the Declarations, which results in a covered loss.

Loss Data Preparation

We will pay for reasonable costs you incur in preparing loss data required by the conditions of this policy after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss. This coverage does not include payments for any services rendered by a public adjuster.

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

Money And Securities

(1) We will pay for loss of "money" and "securities" used in your business while inside the described premises or "financial institution premises", within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, or in transit between any of these places:

(a) Resulting directly from "theft" committed by a person present inside the described premises or "financial institution premises"; or

(b) Resulting directly from disappearance or destruction.

(2) We will not pay for:

(a) Loss resulting from "theft" or any other dishonest act committed by you or any of your partners or "members", whether acting alone or in collusion with other persons.

(b) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

(i) Whether acting alone or in collusion with other persons; or

(ii) While performing services for you or otherwise.

(c) Loss resulting from accounting or arithmetical errors or omissions.

(d) Loss resulting from the giving or surrendering of property in any exchange or purchase.

(e) Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

(f) Loss of "money" or "securities" that is owned by your "clients". This exclusion does not apply to the extent that coverage is provided under the Property Of Your Clients Extension.

(3) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

(4) The most we will pay under this Additional Coverage for loss in any one occurrence is the limit shown in the Schedule of this endorsement.

Money and securities are removed from Property Not Covered to the extent they are covered by this Additional Coverage.

No Deductible applies to this Additional Coverage.

Criminal Reward

We will pay for information leading to the arrest and conviction of persons responsible for crimes committed against the insured, when any covered loss is deemed suspicious by the police or fire department, and only when the person responsible is convicted of the crime.

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(c) We will cover loss you sustain anywhere in the world. This supersedes any other territorial definitions elsewhere in the policy.

(5) As respects this Additional Coverage, an occurrence means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

A $500 Deductible applies to this Additional Coverage.

The most we will pay under this Additional Coverage for loss in any one occurrence is the limit shown in the Schedule of this endorsement.

Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

(1) Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or

(2) "Counterfeit money" that is acquired during the regular course of business.

No Deductible applies to this Additional Coverage.

The most we will pay under this Additional Coverage for loss in any one incident is the limit shown in the Schedule of this endorsement.

Exclusions And Conditions Applicable To Money And Securities, Employee Theft, Forgery Or Alteration And Money Orders And Counterfeit Money

(1) Exclusions

We will not pay for loss resulting from:

(a) The disclosure of your or another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information.

(b) The use of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information.

(c) Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

(2) Conditions

(a) All loss or damage caused by one or more persons or involving a single act or series of related acts is considered one occurrence.

(b) We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

(c) We will pay only for covered loss or damage "discovered" no later than one year from the end of the policy period.

(d) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to "discover" loss or damage had expired, we will pay for it under this Additional Coverage provided:

(i) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and

(ii) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

(e) The insurance under Paragraph (d) above is part of, not in addition to, the amount of insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

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We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the types of property described below.

(2) **Exception**

Coverage under this section for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning described under Property Not Covered, Electronic Data.

(3) **Utility Services**

(a) Water Supply Services, meaning the following types of property supplying water to the described premises:

(i) Pumping stations; and

(ii) Water mains.

(b) Communication Supply Services, meaning property supplying communications service, including telephone, radio, microwave or television services to the described premises, such as:

(i) Communication transmission lines, including optic fiber transmission lines;

(ii) Coaxial cables; and

(iii) Microwave radio relays, except satellites.

Communication Supply Service includes overhead transmission lines.

(c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

(i) Utility generating plants;

(ii) Switching stations;

(iii) Substations;

(iv) Transformers; and

(v) Transmission lines.

Power Supply Service includes overhead transmission lines.

(d) As used in this Additional Coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The Utility Services – Direct Damage limit, as shown in the Schedule of this endorsement, is the only limit which applies to this Additional Coverage, and is in addition to the Limit of Insurance stated in the Declarations as applicable to the described premises.

Contractual Penalties

We will pay for contractual penalties imposed by written contract between you and your customer.

These penalties must:

(1) Result from your failure to deliver your product on time according to contract terms;

(2) Result from direct physical loss or damage to Covered Property by a Covered Cause of Loss; and

(3) Have been paid by you to your customer.

The most we will pay under this Additional Coverage is the limit shown in the Schedule of this endorsement.

F. The following **Coverage Extensions** are amended:

Newly Acquired Or Constructed Property

1. The last sentence of Paragraph (1) Buildings is replaced by the following:

The most we will pay for loss or damage under this Extension is the limit shown in the Schedule of this endorsement at each building.

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You may extend the insurance provided by this Coverage Form to apply to your trees (limited to within 1,000 feet of buildings or blocking roadways), shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

(a) Fire

(b) Lightning;

(c) Explosion;

(d) Riot or civil commotion;

(e) Aircraft;

(f) Vehicles;

(g) Vandalism;

(h) Theft or attempted theft;

(i) Sonic shock waves;

(j) Falling objects;

(k) Windstorm; or

(l) Hail.

(2) Playground Equipment

You may extend the insurance provided by this Coverage Form to apply to your permanently installed outdoor playground equipment located at the described premises and damaged by a Covered Cause of Loss.

(3) Fences

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences which are located at the described premises and damaged by a Covered Cause of Loss.

Fences are deleted from Property Not Covered, where applicable.

(4) Outdoor Signs

You may extend the insurance provided by this Coverage Form to apply to outdoor signs, whether attached to the building or not, which are located at the described premises and damaged by a Covered Cause of Loss.

In the Limits Of Insurance section, the provision referencing outdoor signs is deleted.

The most we will pay for loss or damage to trees, shrubs and plants, including debris removal expense, under this Extension is the per occurrence limit, subject to the per tree, shrub or plant limit, shown in the Schedule of this endorsement. For all other outdoor property, the most we will pay for loss or damage under this Extension is the per occurrence limit, subject to the per item limit, shown in the Schedule of this endorsement. These limits apply to any one occurrence regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

G. The following **Coverage Extensions** are added:

Automated External Defibrillators

You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to your Automated External Defibrillators caused by or resulting from a Covered Cause of Loss.

The most we will pay for loss or damage in any one occurrence under this Extension is the limit shown in the Schedule of this endorsement.

Discharge From Sewer, Drain Or Sump (Not Flood-Related)

(1) The following applies to Covered Property:

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If Building coverage is shown in the Declarations and the Replacement Cost Optional Coverage has been selected for the Building coverage, then the Optional Coverage, Inflation Guard as listed under Section G. Optional Coverages of the Coverage Form automatically applies to the building. The percentage increase for each building at each described location is the percentage shown in the Schedule of this endorsement.

Lawn Coverage

You may extend the insurance that applies to Buildings to apply to your lawns (including lawns which are part of a vegetated roof) on which the property is located.

Lawns (other than lawns which are part of a vegetated roof) are deleted from Property Not Covered.

The most we will pay under this Extension for loss or damage at each described premises is the limit shown in the Schedule of this endorsement.

Premises Limitation

The premises limitation found anywhere in the Commercial Property Coverage Part is broadened from "within 100 feet" to "within 1,000 feet".

Property Of Your Clients

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss of or damage to the following property caused by or resulting from a Covered Cause of Loss or theft:

(a) Your "client's" personal property other than "money" or "securities", while:

(i) At or within 1,000 feet of the building, structure or premises described in the Declarations, whichever distance is greater;

(ii) In the due course of transit;

(iii) Temporarily at a location you do not own, rent or regularly use in the operation of your facility;

(iv) At any location you acquire, but only for 120 days after you acquire the location or until more specific insurance applies to the location, whichever occurs first.

Coverage for this property applies only while your "client" is under your supervision or the supervision of your employees, independent contractors or volunteers.

(b) "Money" and "securities" belonging to, and in the care, custody or control of your "clients" while at the described premises.

(2) This Extension does not apply to a mysterious disappearance or shortage of property except as a result of theft. If loss is a result of theft, the theft must be reported to the police within 24 hours and you must reasonably cooperate with the police and other law enforcement agencies in providing information concerning the theft.

(3) Under this Extension, the value of your "client's" "money" and "securities" will be calculated as the lesser of the following:

(a) The cost to replace the "money" or "securities" at the time of loss; or

(b) The actual cash value of the "money" or "securities" at the time of loss.

However, at your option, the cost of replacing "securities" may be calculated using the market value of the "securities" at the time the claim is settled.

(4) Exclusion **B.2.h.** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension.

(5) Limitation **C.3.** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension;

(6) Our payment under this Extension for loss of or damage to personal property, "money" or "securities" of your "client" will only be for the account of the owner of the personal property, "money" or "securities".

(7) All theft loss caused by one or more persons or involving a single act or series of related acts is considered a single theft loss for purposes of this Extension.

(8) This Extension does not apply to any theft loss as soon as:

(a) You; or

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The most we will pay under this Extension is the limit shown in the Schedule of this endorsement.

Automatic Increase At Time Of Loss

If a separate Building Limit of Insurance is shown in the Declarations, the amount of insurance available for loss or damage is 110% of the limit shown.

H. The following **Loss Conditions** are amended:

Vacancy

Paragraph a. Description Of Terms is replaced by the following:

(1) As used in this Vacancy condition, for occupancies that are not seasonal, the term building and the term vacant have the following meanings:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) For seasonal operations, a building shall not be considered vacant if the contents have been removed to another building, provided that the contents removed were of a seasonal nature, or if the building vacated is part of an ongoing seasonal operation.

(3) Buildings under construction or renovation are not considered vacant.

I. **Revised Valuation Provision**

The following **Loss Condition** is amended:

Valuation

The first sentence in Paragraph **b.** of Section **E.7.** Valuation is replaced by the following:

If the cost to repair or replace the damaged building property is $5,000 or less, we will pay the cost of building repairs or replacement.

J. **Coinsurance – Additional Condition Deleted**

The Coinsurance condition is deleted in its entirety. Other references to Coinsurance in this Coverage Form are deleted.

K. The following **Optional Coverage** is amended:

Replacement Cost – Personal Property Of Others

Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

II. **THE CAUSES OF LOSS – SPECIAL FORM IS AMENDED AS FOLLOWS:**

A. The following **Exclusions** are deleted in their entirety:

Continuous Or Repeated Seepage

Section **B.2.f.** – Continuous or repeated seepage.

Liquids, Powder Or Molten Metals

Section **B.2.g.** – Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment.

Personal Property In The Open

Section **B.2.j.** – Rain, snow, ice or sleet to personal property in the open.

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This Extension is additional insurance..

No Deductible applies to this Extension.

The most we will pay for loss or damage under this Extension is the limit shown in the Schedule of this endorsement.

III. THE FOLLOWING DEFINITIONS ARE ADDED AS RESPECTS THIS ENDORSEMENT:

A. "Carrier" means a person or organization who provides motor, rail or air transportation for compensation.

B. "Client" means persons who are recipients of the services provided by your operation.

C. "Dependent property" means property operated by others whom you depend on to:

1. Deliver materials or services to you or to others for your account (Contributing Locations). With respect to Contributing Locations, services do not mean water, communication (including services relating to Internet access or access to any electronic network), power supply services or wastewater removal services;

2. Accept your products or services (Recipient Locations);

3. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

4. Attract customers to your business (Leader Locations).

D. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by you.

E. "Emergency" means imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to your customers, "clients", residents, students, campers or users of your facility.

F. "Fine arts" means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, stained glass windows, and similar property of rarity, historical value or artistic merit.

G. "Finished stock" means "stock" you have manufactured.

"Finished stock" does not include "stock" you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Form.

H. "Money" means:

1. Currency, coins and bank notes in current use and having a face value; and

2. Travelers' checks and money orders held for sale to the public; and

3. In addition, includes deposits in your account at any "financial institution" as respects the Additional Coverages, Employee Theft and Forgery Or Alteration.

I. "Operations" means your business activities occurring at the described premises and the tenantability of the described premises.

J. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.

K. "Period of restoration" with respect to:

1. Other than "dependent property" means the period of time that:

a. Begins:

(1) 72 hours after the time of direct physical loss or damage for Business Income coverage; or

(2) Immediately after the time of direct physical loss or damage for Extra Expense coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends the earlier of:

(1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

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a. Any natural person:

(1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";

(2) Who you compensate directly by salary, wages or commissions; and

(3) Who you have the right to direct and control while performing services for you;

b. Any natural person who is furnished temporarily to you:

(1) To substitute for a permanent "employee" as defined in Paragraph 1.a., who is on leave; or

(2) 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;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph 1.b.;

d. Any natural person who is:

(1) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; or

(2) Your director or trustee while that person is engaged in handling "money", "securities" or "other property" of any "employee benefit plan";

e. Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

f. Any natural person who is a guest student or intern pursuing studies or duties;

g. Any natural person employed by an entity merged or consolidated with you prior to the effective date of this policy;

h. Any natural person who is your "manager", director or trustee while:

(1) Performing acts within the scope of the usual duties of an "employee"; or

(2) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf; and

i. Any noncompensated natural person:

(1) Other than one who is a fund solicitor, performing acts within the scope of the usual duties of an "employee"; or

(2) Acting as fund solicitor during fund raising campaigns.

2. Does not mean:

Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph C.1.

D. "Employee benefit plan" means any welfare or pension benefit plan that you sponsor and that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

E. "Financial institution" means:

1. A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

2. An insurance company.

F. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution".

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COMMERCIAL PROPERTY

Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS INCOME ACTUAL LOSS SUSTAINED

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

The following is added as an **Optional Coverage** to Business Income coverage as provided in the policy:

Business Income Actual Loss Sustained

a. To activate this Optional Coverage, the Declarations and/or Schedule of Insurance must indicate that the Business Income Actual Loss Sustained Coverage applies.

b. The most we will pay for loss in any one occurrence is the actual loss of Business Income you sustain and Extra Expense necessary to reduce the loss during the period that begins with the date of the loss and ends with the earlier of:

(1) The ending of the "period of restoration", or

(2) 365 consecutive days after the date of loss.

c. The Additional Condition, Coinsurance, is suspended until:

(1) 12 months after the effective date of this optional coverage; or

(2) The expiration date of this policy; whichever occurs first.

d. At our request, a Business Income Report/Worksheet, or its equivalent, must be submitted to us and must show financial data for your "operations" estimated for the 12 months immediately following the inception of the optional coverage. If you fail to submit the completed Report/Worksheet within 120 days of our request, the Additional Condition, Coinsurance, will be automatically reinstated.

All other terms and conditions remain unchanged.

COMMERCIAL PROPERTY

Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS – BASIC FORM
CAUSES OF LOSS – BROAD FORM
CAUSES OF LOSS – SPECIAL FORM

The following Additional Coverage is deleted:

E. Additional Coverage - Limited Coverage for "Fungus", Wet Rot, Dry Rot and Bacteria

All references to this Additional Coverage are deleted wherever shown in these forms and any other related forms attached to this policy.

All other terms and conditions remain the unchanged.

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COMMERCIAL PROPERTY

CONFIRMATION OF EXCLUSION OF CERTIFIED ACTS OF TERRORISM COVERAGE - COMMERCIAL PROPERTY TERRORISM RISK INSURANCE ACT

Disclosure Of Premium

We have notified you that under the Terrorism Risk Insurance Act we must make certified acts of terrorism coverage available in the policies we offer. At that time we advised you that the premium for such terrorism coverage would be $159

Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

If you have not indicated to us or your agent that certified acts of terrorism coverage is desired, a certified act of terrorism exclusion will be attached to your policy and we will not charge your policy for terrorism coverage.

If you desire to purchase terrorism coverage, please contact us or your agent.

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MARKEL INSURANCE COMPANY

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy No: CCP20011712-01

Effective Date: 04/17/2014
12:01 A.M., Standard Time

LIMITS OF INSURANCE

General Aggregate Limit (Other Than Products–Completed Operations)	$3,000,000
Products–Completed Operations Aggregate Limit	$3,000,000
Personal and Advertising Injury Limit	$1,000,000
Each Occurrence Limit	$1,000,000
Damage To Premises Rented To You Limit	$100,000 Any One Premises
Medical Expense Limit	$10,000 Any One Person

RETROACTIVE DATE (CG 00 02 only) N/A IN STATE OF NEW YORK

Coverage A of this Insurance does not apply to 'bodily injury' or 'property damage' which occurs before the Retroactive Date, if any, shown here: _____
(Enter Date or "None" if no Retroactive Date applies)

BUSINESS DESCRIPTION AND LOCATION OF PREMISES

Form of Business: Limited Lia Co

Business Description: Child Care Center

Location of All Premises You Own, Rent or Occupy:

SEE ATTACHED "EXTENSION OF DECLARATIONS"

PREMIUM

Classification	Code No.	Premium Basis	Rate	Advance Premium
SEE ATTACHED "EXTENSION OF DECLARATIONS"				

Total Advance Premium: $1,888

FORMS AND ENDORSEMENTS (other than applicable Forms and Endorsements shown elsewhere in the policy)

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

SEE "SCHEDULE OF FORMS AND ENDORSEMENTS"

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

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CCP20011712-01
Policy Number

COMMERCIAL GENERAL LIABILITY EXTENSION OF DECLARATIONS

Effective Date: 04/17/2014
12:01 A.M., Standard Time

	CLASSIFICATION AND PREMIUM						
LOC NO.	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
				Prem/ Ops	Prod/Comp Ops	Prem/ Ops	Prod/Comp Ops
001-001	Schools-Faculty Liability for Corporal Punishment of Students Products-completed operations are subject to the General Aggregate Limit TERRITORY: 001	47469	If Any Each	5.509	Incl.		Incl.
	Day Care Centers - Other Than Not-For-Profit Products-completed operations are subject to the General Aggregate Limit TERRITORY: 001	41715	100 Each	11.542	Incl.	$1,154	Incl.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

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

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

If such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

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(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

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(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
   a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
   b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
   c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
   d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
   e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
   a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
      (1) "Bodily injury" or "personal and advertising injury":
         (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
         (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
         (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
         (d) Arising out of his or her providing or failing to provide professional health care services.
      (2) "Property damage" to property:
         (a) Owned, occupied or used by,
         (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

      you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. **Legal Action Against Us**

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

4. **Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. **Excess Insurance**

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

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3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
   a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
   b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
   c. All other parts of the world if the injury or damage arises out of:
      (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
      (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
      (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

   provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
   a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
   b. You have failed to fulfill the terms of a contract or agreement;

   if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
   a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
   b. A sidetrack agreement;
   c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
   d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
   e. An elevator maintenance agreement;
   f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

      Paragraph f. does not include that part of any contract or agreement:
      (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
      (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
         (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
         (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
      (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

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15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

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COMMERCIAL GENERAL LIABILITY
CG 00 68 05 09

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion q. of Paragraph **2. Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

B. Exclusion p. of Paragraph **2. Exclusions** of Section I – **Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
CG 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
Eagle South Rentals DC, LLC
1529 Bellini Court
Myrtle Beach, SC 29579

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

Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

A. In the performance of your ongoing operations; or

B. In connection with your premises owned by or rented to you.

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COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., **Exclusions** of Section I – **Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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COMMERCIAL GENERAL LIABILITY
CG 21 60 09 98

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EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" (or "personal and advertising injury" if defined as such in your policy) arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any insured or to others:

(a) Computer hardware, including microprocessors;

(b) Computer application software;

(c) Computer operating systems and related software;

(d) Computer networks;

(e) Microprocessors (computer chips) not part of any computer system; or

(f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **2.a.(1)** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **2.a.** of this endorsement.

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TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

(a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or

(b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

(i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

(ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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CG 21 73 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. 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".

B. The following definitions are added:

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

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance 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.

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CG 21 87 01 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

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

A. Applicability Of The Provisions Of This Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
   a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part or Policy; or
   b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
      (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
      (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
      (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
   a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and
   b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

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Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **C.5.** or **C.6.** are exceeded.

With respect to this Exclusion, Paragraphs **C.5.** and **C.6.** describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.

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CG 21 96 03 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".

b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph **2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the **Definitions** Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

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CG 22 67 10 93

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CORPORAL PUNISHMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion a. of paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is replaced by the following:

This insurance does not apply to:

a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" resulting from:

(1) The use of reasonable force to protect persons or property; or

(2) Corporal punishment to your student administered by or at the direction of any insured.

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POLICY NUMBER:CCP20011712-01

COMMERCIAL GENERAL LIABILITY
CG 24 07 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Description of Premises and Operations:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or
2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf,

Paragraph a. of the definition of "Products-completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

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POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY
CG 24 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph **9.** of the **Definitions** Section is replaced by the following:

9. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

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ATTACHED TO AND FORMING PART OF POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUPPLEMENT TO SECTION IV - "COMMERCIAL GENERAL LIABILITY CONDITIONS"

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

KNOWLEDGE OF "OCCURRENCE": Knowledge of an "occurrence" by your agent, servant or employee shall not be treated as knowledge by you until one of them notifies an officer of your corporation or the partner of any partnership insured or the owner.

NOTICE OF "OCCURRENCE": Failure to notify us of an "occurrence" shall not jeopardize your policy coverage unless such failure is that of an executive officer or partner or the owner.

If an accident reported to your workers' compensation insurer later becomes a liability claim, failure to report such accident to us when it happened will not be a violation of your "Duties in the Event of 'Occurrence', Claim or Suit." However, you must give notice of that accident to us as soon as you realize it is a liability case.

UNINTENTIONAL ERRORS OR OMISSIONS: If you fail to tell us all hazards existing as of the inception date of this policy, it will not jeopardize coverage afforded by this policy unless your failure or omission is intentional.

This endorsement shall not apply with respect to any "occurrence" involving sexual abuse or sexual molestation.

All other terms and conditions remain the same .

MGL101 (9/95)

ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Operations:

Premises listed in the Description of Premises section on the Declarations page of this policy, including off site operations arising out of this location.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement).

The following is added to Section I, Coverage A., 2., Exclusions; Coverage B., 2., Exclusions; and Coverage C., 2., Exclusions:

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses including products and completed operations, arising out of operations described in the Schedule above.

All other terms and conditions remain the same.

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ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY

MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - "VOLUNTEER WORKERS"

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to the Commercial General Liability Coverage Part:

The term "volunteer(s)", wherever referenced in any form or endorsement attached to the above coverage part, is changed to read "volunteer workers", as defined in the Commercial General Liability Coverage Form.

All other terms and conditions remain the same.

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COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA ABUSE OR MOLESTATION AND EMPLOYEE AND VOLUNTEER WORKER DEFENSE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Coverage	Limits of Insurance	Advance Premium
Abuse or Molestation	$1,000,000 per person, per occurrence. $1,000,000 aggregate per policy period.	* See policy schedule

With respect to coverage provided by this endorsement, the provisions of the Commercial General Liability Coverage Form apply unless modified by this endorsement.

In consideration of the premium charged, the following is added to Section I, Coverage A:

A. COVERAGE

1. **Insuring Agreement**

   a. **Abuse or Molestation Coverage**

   We will pay those sums the insured becomes legally obligated to pay as damages that result in "bodily injury", "property damage", "personal and advertising injury", or any other injury because of abuse, molestation or exploitation arising from negligent employment, training, investigation, reporting to the proper authorities, or failure to so report, or retention and supervision of a person for whom any insured is or ever was legally responsible. Coverage includes the actual, alleged, or threatened abuse, molestation or exploitation by anyone of any person while in the care, custody or control of any insured.

   The term "bodily injury" includes mental anguish or emotional distress.

   b. **Employee and Volunteer Worker Defense Coverage**

   We will also pay on your behalf "employee defense costs" for an "employee" or "volunteer worker" of the insured who is alleged to be directly involved in abuse, molestation or exploitation until such time as that individual is adjudicated to be a wrongdoer or enters a plea of no-contest or is determined to be legally liable in the civil discovery or investigative process.

   The following is added as respects this endorsement and Employee and Volunteer Worker Defense Coverage only. As respects Employee and Volunteer Worker Defense Coverage, "employee defense cost" means costs to defend any claim or "suit" seeking damages to which this endorsement applies.

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ATTACHED TO AND FORMING PART OF POLICY NUMBER CCP20011712-01

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHILD CARE AND TEACHERS PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed that the policy is amended as follows:

1. The following is added to Section I, Coverages, paragraph 1 of Coverage A, Bodily Injury and Property Damage Liability:

   d. We will pay those sums that the "Teacher" becomes legally obligated to pay as damages as a result of an "occurrence" caused by a "wrongful act" of the "Teacher" arising out of the performance of duties in that capacity.

2. The extension of coverage provided by the preceding paragraph is subject to the following exclusions, as well as all exclusions in Section I, Coverages, paragraph 2 of Coverage A, Bodily Injury and Property Damage Liability and paragraph 2 of Coverage B, Personal and Advertising Injury Liability:

   This Insurance does not apply to:

   a. Any loss or claim of others assumed by the "Teacher" under any contract or agreement, either oral or written;

   b. Any loss or claim caused by a person under the influence of intoxicants or narcotics;

   c. Any loss or claim arising directly or indirectly from a "Teacher's" activities as an officer, director, employee or volunteer of any organization, profession or activity other than that of the Named Insured;

   d. Any loss, claim, or obligation based on or arising out of any Securities Act or Employees Retirement Income and Security Act of 1974, or amend- cents or additions thereto;

   e. Any loss, claim or obligation arising out of Admiralty Law;

   f. Any loss or claim arising out of the performance of any dishonest, fraudulent, or criminal act or omission;

   g. Any loss or claim for or arising out of the infringement of any copyright, trademark, or patent;

   h. Any loss or claim based on or attributable to any failure or omission on the part of the "Teacher" to effect or maintain insurance;

   i. The conduct of any business enterprise which is controlled, operated or managed by the "Teacher" in a fiduciary capacity, other than in connection with the normal and usual operations of a Named Insured;

   j. Any loss or claim resulting from the rendering of or failure to render advice about medical care, diet, health and/or use of medication or drugs.



Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHILD CARE
COMMERCIAL GENERAL LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations, or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

SCHEDULE

Supplementary Payments	
Bail Bonds	Up to $5,000
Loss of Earnings	Up to $500 a day
"Legal Expense" or "Media Expense"	Up to $10,000 per "Legal Event" or "Media Event" - $50,000 Maximum All "Legal Events" and/or "Media Events"
Damage to Premises Rented to You	Up to the Each Occurrence Limit
Non-Owned Watercraft	Increased to 51 feet long
Non-Owned Aircraft	If rented or loaned with a paid crew
"Property Damage" from Elevator Use	Included
Broadened Definition of Insured	Included
Mental Anguish Resulting from "Bodily Injury"	Included
"Personal and Advertising Injury" from Televised or Videotaped Material	Included
Broadened Definition of "Mobile Equipment"	Included
Per Location and Per Project Aggregates	Included
Additional Insured – Managers or Lessors of Premises	Included
Additional Insured – Vendors (Limited)	Included
Additional Insured – By Written Contract, Agreement or Permit	Included
Additional Insured-Mortgagee, Assignee, or Receiver	Included
Extended "Property Damage" – Expected or Intended Injury	Included
"Property Damage" to Borrowed Equipment	Up to $10,000 per "occurrence"
"Property Damage" to "Customers' Goods"	Up to $10,000 per "occurrence"
Medical Personnel Coverage	Up to $100,000 per "occurrence" if no other coverage form applies.
Limited "Product Withdrawal Expense" Coverage	$10,000 per "Product Withdrawal"
Waiver of Transfer of Rights of Recovery	Included
"Employment-Related Wrongful Acts"	Up to $25,000 per "Employment-Related Wrongful Act", $25,000 Aggregate Limit $2,500 Deductible
Duties in the Event of "Occurrence", Claim or "Suit"	Included
Unintentional Failure to Disclose Hazards	Included
Liberalization	Included

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B. SECTION I – COVERAGE A.2. Exclusions, the last paragraph is deleted and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage damage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in SECTION III – LIMITS OF INSURANCE.

C. SECTION III – LIMITS OF INSURANCE, Paragraph 6. is replaced by the following:

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under COVERAGE A for damages because of "property damage" to any one premises while rented to you, or, in case of damage by fire, lightning, explosion, smoke, or sprinkler leakage while rented to you or temporarily occupied by you with permission of the owner.

The Damage To Premises Rented To You Limit is the Each Occurrence Limit shown in the General Liability Declarations.

D. COMMERCIAL GENERAL LIABILITY CONDITIONS SECTION, Paragraph 4.b.(1)(a)(ii) or Paragraph 4.b.(1)(a)(iii) is deleted and replaced by the following:

That is fire, lightning, explosion, smoke or sprinkler leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner; or

E. DEFINITIONS SECTION, Paragraph 9.a. is deleted and replaced by the following:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

III. NON-OWNED WATERCRAFT AND NON-OWNED AIRCRAFT RENTED OR LOANED TO YOU WITH A CREW

A. SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Exclusion g. Aircraft, Auto or Watercraft, paragraph (2), is deleted in its entirety and replaced with the following:

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge.

B. The following is added to g.

(6) "Bodily injury" or "property damage" arising out of any aircraft not owned by any insured that is rented or loaned to you with a paid crew.

If other insurance applies to a loss because of "property damage" to non-owned watercraft or aircraft as described in (2)(a) and (b) or (6) above, the insurance provided by this Coverage Form does not apply whether the other insurance is primary, excess, contingent, or issued on any other basis.

IV. PROPERTY DAMAGE COVERAGE ARISING OUT OF ELEVATOR USE

SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Exclusion j. is amended to include the following:

Paragraphs (3), (4) and (6) shall not apply to liability arising out of the use of elevators.

If other valid and collectible insurance applies to a loss because of "property damage" arising out of the use of elevators, this Coverage Form shall apply excess of the other insurance, whether this other insurance is primary, excess, contingent, or issued on any other basis.

V. WHO IS AN INSURED

SECTION II – WHO IS AN INSURED, is amended by the following:

A. Paragraph 2. is amended to include the following as insureds:

e. Any legally incorporated entity of which you own at least 51% of the voting stock on the inception date of this Coverage Form and on the date of any covered "occurrence", claim or "suit".

This insurance shall not apply to any entity that is already an insured under any other insurance provided by any company or that would be an insured but for the exhaustion of its limits of insurance.

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(1) Insureds;

(2) Claims made or "suits" brought; or

(3) Persons or organizations making claims or bringing "suits".

c. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the Per Location or Per Project General Aggregate Limit for each covered "location" or covered project for which payment is made. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other covered "location" or covered project's general aggregate.

d. The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Per Location or Per Project General Aggregate Limit.

2. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **SECTION I COVERAGE A**, and for all medical expenses caused by accidents under **SECTION I COVERAGE C**, which cannot be attributed only to ongoing operations at a covered "location" or covered project:

a. Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and

b. Such payments shall not reduce any Per Location or Per Project General Aggregate Limit.

3. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per Location or Per Project General Aggregate Limit.

4. For the purposes of this section of this endorsement, "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

5. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

B. The provisions of **SECTION III – LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

X. ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES

SECTION II – WHO IS AN INSURED is amended to include as an additional insured any person or organization who leases to you or manages property you rent or lease, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in connection with that part of the premises leased or rented to you and shown on the Declarations. The following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.

2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization who leases to you or manages property you rent or lease.

XI. ADDITIONAL INSUREDS – VENDORS (LIMITED)

The following provision applies only if the policy to which this endorsement is attached provides insurance for "bodily injury" and "property damage" included in the "products-completed operations hazard":

SECTION II – WHO IS AN INSURED is amended to include as an additional insured any person or organization (referred to below as vendor) with whom you agree in a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

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This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of operations performed for that state or municipality.

c. The insurance with respect to any architect, engineer, or surveyor, added as an insured by this coverage, does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering or failure to render any professional services by or for you, including:

(1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and

(2) Supervisory, inspection or engineering services.

d. This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

No coverage will be provided if, in the absence of this endorsement, no liability will be imposed by law on you. Coverage will be limited to the extent of your negligence or fault according to the applicable principles of comparative fault.

This Additional Insured provision does not apply to Managers or Lessors of Premises, Vendors, or Mortgagees, Assignees, or Receivers. For Managers or Lessors of Premises, refer to **ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES.** For Vendors, refer to **ADDITIONAL INSURED – VENDORS.** For Mortgagees, Assignees or Receivers, refer to **ADDITIONAL INSURED – MORTGAGEE, ASSIGNEE, OR RECEIVER.**

XIII. ADDITIONAL INSURED – MORTGAGEE, ASSIGNEE, OR RECEIVER

SECTION II – WHO IS AN INSURED is amended to include as an insured any person or organization with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of premises by you.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

XIV. EXTENDED PROPERTY DAMAGE – EXPECTED OR INTENDED INJURY

Exclusion **2.a.** of **SECTION I – COVERAGES, COVERAGE A** is deleted in its entirety and replaced by the following:

a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

XV. PROPERTY DAMAGE – BORROWED EQUIPMENT

A. Paragraph **(4)** of Exclusion **j.** of **SECTION I – COVERAGES, COVERAGE A** does not apply to "property damage" to borrowed equipment while that equipment is:

1. Not being used to perform operations; and

2. Away from an insured's premises.

B. The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.

C. **SECTION III – LIMITS OF INSURANCE** is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to borrowed equipment is $10,000 per "occurrence".

XVI. PROPERTY DAMAGE – CUSTOMERS' GOODS

A. Paragraphs **(3), (4),** and **(6)** of Exclusion **j.** of **SECTION I – COVERAGES, COVERAGE A,** do not apply to "property damage" to "customers' goods" while on your premises.

B. The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.

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e. "Product withdrawal expenses" incurred to withdraw "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product withdrawal".

2. **Exclusions**

This insurance does not apply to "product withdrawal expenses" arising out of:

a. **Breach Of Warranty And Failure To Conform To Intended Purpose**

Any "product withdrawal" initiated due to the failure of "your product" to accomplish its intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure is reasonably expected to cause "bodily injury" or "physical damage" to tangible property other than "your product".

b. **Infringement Of Copyright, Patent, Trade Secret, Trade Dress Or Trademark**

Any "product withdrawal" initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

c. **Deterioration, Decomposition Or Chemical Transformation**

Any "product withdrawal" initiated due to transformation of a chemical nature, deterioration or decomposition of "your product". This exclusion does not apply if it is caused by:

(1) An error in manufacturing, design or processing;

(2) Transportation of "your product"; or

(3) "Product tampering".

d. **Goodwill, Market Share, Revenue, Profit Or Redesign**

The costs of goodwill, market share, revenue or "profit" or the costs of redesigning "your product".

e. **Expiration Of Shelf Life**

Any "product withdrawal" initiated due to expiration of the designated shelf life of "your product".

f. **Known Defect**

A "product withdrawal" initiated because of a "defect" in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the date when this Coverage Form was first issued to you or prior to the time "your product" leaves your control or possession.

g. **Otherwise Excluded Products**

A recall of any specific products for which "bodily injury" or "property damage" is excluded under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** by endorsement.

h. **Governmental Ban**

A recall when "your product" or a component contained within "your product" has been:

(1) Banned from the market by an authorized government entity prior to the policy period; or

(2) Distributed or sold by you subsequent to any governmental ban.

i. **Defense Of Claim**

The defense of a claim or "suit" against you for liability arising out of a "product withdrawal".

j. **Third Party Damages, Fines And Penalties**

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

k. **Pollution-Related Expenses**

Any loss, cost, or expense due to any:

(1) Request, demand, order, statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

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wrongful act" to which this insurance applies. We may, at our discretion, investigate or settle any "claim" or incident that may result in "damages". We will have the right but not the duty to defend the insured against any "claim" seeking such "damages". If we elect to defend the insured, we have the right to withdraw from the further defense of any "employment-related wrongful act" at any time by tendering control of the defense to the insured. The coverage provided under this Coverage will end when we have used up the applicable limit of insurance for the payment of "damages" and "claim expenses". No other obligation or liability to pay sums imposed on you or any other insured, or to perform acts or services, is covered.

b. The amount we will pay for "damages" and "claim expenses" regardless of the number of insureds, "claims" made, or persons, organizations, or government agencies making "claims" is limited to $25,000 per "employment-related wrongful act" and $25,000 in the aggregate.

c. Coverage under this Coverage is subject to a $2,500 deductible. We may pay part or all of the deductible amount to effect settlement of any "claim" and, upon request, you shall promptly reimburse us for such part of the deductible amount that has been paid by us.

d. This coverage applies to a "claim" only if the "employment-related wrongful act" takes place within the "coverage territory" and during the policy period.

e. If the "employment-related wrongful act" consists of a series of related acts, the "employment-related wrongful act" shall be deemed to have taken place on the date of the first of such series of acts. No coverage is afforded under this policy if the first act of an "employment-related wrongful act" took place outside the policy period.

2. **Exclusions**

Solely with regard to "employment-related wrongful acts", this insurance does not apply to:

a. **Criminal, Fraudulent Or Malicious Acts**

An insured's liability arising out of criminal, fraudulent or malicious acts or omissions by that insured.

b. **Contractual Liability**

Any "employment-related wrongful act" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

c. **Strikes And Lockouts**

Any "claim" based upon, attributable to, or arising out of any striking or locked-out "employee", or to an "employee" who has been temporarily or permanently replaced due to any labor dispute.

d. **Violation Of Laws Applicable To Employers**

Any "claim" arising out of your failure to comply with or violation of your responsibilities or duties required by the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, the Immigration and Nationality Act, Title IX of the Education Amendments of 1972, the Immigration Reform and Control Act, the Fair Labor Standards Act (except the Equal Pay Act), or any federal, state or local statutes, rules or regulations pertaining to the benefits, compensation or employment of veterans; or any other rules or regulations promulgated therefore or amendments thereto, or any other similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

This exclusion does not apply to any "claim" for retaliatory treatment by an insured against any person making a "claim" pursuant to such person's rights under any statute, rule or regulation.

This exclusion also does not apply to any "claim" alleging an "employment-related wrongful act" for which the insured would be liable in the absence of the statute.

e. **Future Pay**

Any "claim" for advance or future pay, including advance or future "damages" or any other future economic relief or the equivalent thereof which compensates an "employee" for "damages" beyond the date of settlement or adjudication.

This exclusion applies only if the insured is legally responsible or has the option pursuant to a judgment, mediation or arbitration to reinstate the "employee" but fails to do so.

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(2) Wrongful termination, meaning the actual or constructive termination of an "employee":

(a) In violation or breach of applicable law or public policy; or

(b) Which is determined to be in violation of a contract or agreement, other than any employment contract or agreement, whether written, oral or implied, which stipulates financial consideration if such financial consideration is due as the result of a breach of the contract;

(3) Wrongful denial of training, wrongful deprivation of career opportunity, or breach of employment contract;

(4) Negligent hiring or supervision which results in any of the other offenses listed in this definition;

(5) Retaliatory action against an "employee" because the "employee" has:

(a) Declined to perform an illegal or unethical act;

(b) Filed a complaint with a governmental authority or a "suit" against you or any other insured in which "damages" are claimed;

(c) Testified against you or any other insured at a legal proceeding; or

(d) Notified a proper authority of any aspect of your business operation which is illegal;

(6) Coercing an "employee" to commit an unlawful act or omission within the scope of that person's employment;

(7) Work-related harassment;

(8) Employment-related libel, slander, invasion of privacy, defamation or humiliation; or

(9) Other employment-related verbal, physical, mental or emotion abuse arising from "discrimination".

4. **Conditions**

The following Conditions apply only as respects Employment-Related Wrongful Acts Coverage in this Endorsement:

a. **Notice To Us**

(1) As a condition precedent to our obligations under this policy, you or any insured must give us written notice of any "claim" made against any insured as soon as practicable.

(2) If a "claim" is received by any insured, you and any other involved insured must:

(a) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";

(b) Authorize us to obtain records and other information;

(c) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and

(d) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "damages" to which this insurance may also apply.

(3) No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

(4) If any insured becomes aware of a specific "employment-related wrongful act" that may reasonable be expected to give rise to a "claim" against any insured, the insured will provide written notice to us of:

(a) A description of the specific "employment-related wrongful act", including all relevant dates;

(b) The names of the persons involved in the specific "employment-related wrongful act", including names of the potential claimants;

(c) Particulars as to the reasons for anticipating a "claim" which may result from such specific "employment-related wrongful act";

(d) The nature of the alleged or potential "damages" arising from such specific "employment-related wrongful act"; and

(e) The circumstances by which the insured first became aware of the specific "employment-related wrongful act".

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service or repair. "Customers' goods" do not include:

a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

b. Animals;

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

d. Personal property while airborne or waterborne;

e. Property that is covered under another Coverage Form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

f. Vehicles or self-propelled machines (including aircraft or watercraft) that are licensed for use on public roads.

This paragraph does not apply to:

(1) Vehicles or self-propelled machines, other than "autos", you hold for sale; or

(2) Rowboats or canoes out of water at the described premises;

g. The following property while outside of buildings:

(1) Grain, hay, straw, or other crops;

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than trees, shrubs or plants held for sale).

2. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.

3. "Legal event" means any criminal investigation, criminal complaint, indictment, administrative hearing, licensing hearing or regulatory agency proceeding, in any such case relating to the alleged violation or infringement of one or more state or federal statutes or regulations regarding:

a. Child abuse;

b. Premises contamination at your facility;

c. Closure of your facility by order of the Board of Health due to discovery or suspicion of contaminated food that has been served to your clients;

d. An actual, attempted, or threatened violent act committed on your premises that results in physical injury or death including sexual assault, kidnapping, criminal use of weapons on your premises, and stalking of your clients;

e. An actual incident occurring at your premises involving an explosion, fire, construction accident, or equipment failure; and

f. Your operations intended to protect the rights or safety of children and/or children in child care facilities.

However, "legal event" does *not* include any actual or threatened "suit" or claim.

4. "Legal expense" means reasonable fees and necessary costs of attorneys, experts, and consultants, incurred by you in your investigation or defense of a "legal event".

However, "legal expense" does *not* include:

a. Damages;

b. Fines, taxes, sanctions, or penalties;

c. "Media Expense";

d. Any uninsurable amount;

e. Any expense reimbursed or covered by any other entity or carrier or for which another entity is liable or obligated to pay; or

f. Any of your remuneration, salaries, overhead, fees, loss of earning reimbursement, or benefit expenses.

5. "Media event" means any criminal investigation, criminal complaint, indictment, administrative hearing, licensing hearing or regulatory agency proceeding that results in significant adverse local, regional, or national news media coverage of you, relating to the following adverse media events:

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c. Costs of overtime paid to your regular non-salary "employees" and costs incurred by your "employees", including costs of transportation and accommodations;

d. Costs of computer time;

e. Costs of hiring independent contractors and other "temporary workers";

f. Costs of transportation, shipping or packaging;

g. Costs of warehouse or storage space; or

h. Costs of proper disposal of "your products" or products that contain "your products" that can not be reused, not exceeding your purchase price or your costs to produce the products.

10. "Profit" means the positive gain from business operation after subtracting for all expenses.

All other terms and conditions remain unchanged.

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COMMERCIAL GENERAL LIABILITY

Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER LIABILITY – AMENDMENT OF COVERAGE B, PERSONAL AND ADVERTISING INJURY LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Paragraphs f., g. and i. of **SECTION I – COVERAGES, COVERAGE B, PERSONAL AND ADVERTISING INJURY LIABILITY** are deleted in their entirety and replaced by the following:

f. Breach Of Contract

"Personal and advertising injury" arising out of any breach of contract, except an implied contract to use another's advertising idea in your "advertisement" or on "your web site";

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement" or on "your web site";

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

(1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property right, such as copyright, patent, trademark, trade name, trade secret, service mark or other designation of origin or authenticity; or

(2) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made against you or any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to infringement, in your "advertisement" or on "your web site", of:

(1) Copyright;

(2) Slogan; or

(3) Title of any literary or artistic work.

B. **SECTION I – COVERAGES, COVERAGE B, PERSONAL AND ADVERTISING INJURY LIABILITY,** Exclusion **k. Electronic Chatrooms Or Bulletin Boards** is deleted in its entirety.

C. The following Exclusion is added to **SECTION I – COVERAGES, COVERAGE B, PERSONAL AND ADVERTISING INJURY LIABILITY:**

Non-Business Activities

"Personal and advertising injury" arising out of "your web site" or any internet-related activities that are not related to your business as a "child care provider".

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MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - MEDICAL PAYMENTS TO CHILDREN - EXCESS COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Medical Expense Limit – Any one child: $ 5,000

A. **SECTION III – LIMITS OF INSURANCE**, Paragraph **7.** is amended as follows:

7. Subject to Paragraph **5.** above, the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one child is the limit shown in the Schedule above.

B. The following is added to Item **4. Other Insurance** of **SECTION IV – COMMERCIAL GENERIAL LIABILITY CONDITIONS:**

If other valid and collectible insurance is available to an insured for a loss we cover under Coverage C of this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary except when Paragraph **b.** below applies.

b. **Excess Insurance**

This insurance is excess over any other insurance, whether primary or excess, that provides Student Accident Coverage to any one child.

All other terms and conditions remain unchanged.

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COMMERCIAL GENERAL LIABILITY

CONFIRMATION OF EXCLUSION OF CERTIFIED ACTS OF TERRORISM COVERAGE - COMMERCIAL GENERAL LIABILITY TERRORISM RISK INSURANCE ACT

Disclosure Of Premium

We have notified you that under the Terrorism Risk Insurance Act we must make certified acts of terrorism coverage available in the policies we offer. At that time we advised you that the premium for such terrorism coverage would be $100

Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

If you have not indicated to us or your agent that certified acts of terrorism coverage is desired, a certified act of terrorism exclusion will be attached to your policy and we will not charge your policy for terrorism coverage.

If you desire to purchase terrorism coverage, please contact us or your agent.

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ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
FARM LIABILITY
GARAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM LIABILITY COVERAGE PART
GARAGE COVERAGE PART

A. Applicable to Commercial General Liability Coverage Form:

This insurance does not apply to, nor shall we have any duty to defend:

1. any loss arising out of "bodily injury", "property damage", or "personal and advertising injury" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

2. any legal obligation of any "insured" for indemnification or contribution due to damages arising out of "bodily injury", "property damage" or "personal and advertising injury" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

B. Applicable to Garage Coverage Form:

This insurance does not apply to, nor shall we have any duty to defend:

1. any loss arising out of "bodily injury" or "property damage" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

2. any legal obligation of any "insured" for indemnification or contribution due to damages arising out of "bodily injury" or "property damage" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

C. Applicable to Farm Liability Coverage Form:

This insurance does not apply to, nor shall we have any duty to defend:

1. any loss arising out of "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

2. any legal obligation of any "insured" for indemnification or contribution due to damages arising out of "bodily injury", "property damage" or "personal injury" arising out of or caused by lead, paint containing lead, or any other material or substance containing lead;

D. The following is also added to A., B., and C., above and is also excluded:

Any loss, cost, expense or damages arising out of any:

1. request, demand or order that any insured or others test for, monitor, clean up, remove, abate, contain, treat, or neutralize lead, paint containing lead, or any other material or substance containing lead, or in any way respond to, or assess the effects of lead; or

2. claim or "suit" relating to, testing for, monitoring, cleaning up, removing, abating, containing, treating, or neutralizing lead, paint containing lead, or any other material or substance containing lead, or in any way responding to, or assessing the effects of lead.

The addition of this endorsement does not imply that other provisions, including but not limited to any pollution exclusion, do not also exclude coverage for lead-related injury, damage, expense, cost, loss, liability or legal obligation.

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ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
FARM LIABILITY
GARAGE

MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MULTIPLE POLICIES ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM LIABILITY COVERAGE PART
GARAGE COVERAGE PART

If this policy and any other liability policy issued to you by the MARKEL INSURANCE COMPANY apply to the same occurrence, the maximum limit of our liability under all such policies combined shall not exceed the highest applicable limit of liability under any one policy among them.

All other terms and conditions remain the same.

ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
FARM LIABILITY
GARAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM LIABILITY COVERAGE PART
GARAGE COVERAGE PART

This insurance does not apply to, nor shall we have any duty to defend or indemnify any loss arising out of:

1. "bodily injury", "property damage", "personal injury" and "personal and advertising injury" arising in whole or in part, either directly or indirectly out of asbestos.

2. Any legal obligation of any insured for indemnification or contribution due to damages arising out of "bodily injury", "property damage", "advertising injury" and "personal and advertising injury" arising out of or caused by asbestos or any material or substance containing asbestos.

3. Any loss, cost, expense or damages arising out of any claim or "suit" relating to testing for, monitoring, cleaning up, removing, abating, containing, treating, or neutralizing asbestos, or any material or substance containing asbestos or in any way responding to, or assessing the effects of asbestos.

The addition of this endorsement does not imply that other provisions, including but not limited to any pollution exclusion, do not also exclude coverage for asbestos related injury, damage, expense, cost, loss, liability or legal obligation.

This exclusion applies despite any legal form a claim may take. For instance, there is no coverage for a claim alleging that any insured was negligent or in breach of contract by maintaining premises where the insured knew, or should have known, asbestos exposure existed.

For the purpose of this endorsement asbestos is defined as:

a. Airborne as a fiber, particle or dust;

b. Contained in a product;

c. Carried or transmitted on clothing or by any other means;

d. Inhaled or ingested; or

e. Contained in or a part of:

(1) any building;

(2) any building material;

(3) any insulation product; or

(4) any component part of any building, building material or insulation product.

All other terms and conditions remain the same.

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ATTACHED TO AND FORMING PART OF
POLICY NUMBER: CCP20011712-01

COMMERCIAL GENERAL LIABILITY
GARAGE
FARM LIABILITY
UMBRELLA

Markel Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOLD EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL GENERAL LIABILITY EXTENSION ENDORSEMENT
GARAGE COVERAGE PART
FARM LIABILITY COVERAGE FORM
COMMERCIAL UMBRELLA LIABILITY POLICY

The following is added to Exclusions in all sections of the Commercial General Liability Coverage Form, Farm Liability Coverage Form, Garage Coverage Form and the Commercial Umbrella Liability Policy. This also applies to any endorsement attached to any of the applicable Coverage Forms.

A. As respects the Commercial General Liability Coverage Part, Commercial General Liability Extension Endorsement, Garage Coverage Form and the Farm Liability Coverage Form, this insurance does not apply to:

1. "Bodily injury", "property damage" and/or "personal and advertising injury" which would not have occurred in whole or in part but for the actual, alleged or threatened contact with, exposure to, or inhalation, ingestion, absorption, discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of "mold".

B. As respects the Commercial Umbrella Liability Policy, this insurance does not apply to:

1. "Ultimate net loss" arising from "bodily injury", "property damage", "personal injury" or "advertising injury" which would not have occurred in whole or in part but for the actual, alleged or threatened contact with, exposure to, or inhalation, ingestion, absorption, discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of "mold".

C. As respects all coverages in A. and B. above, this insurance does not apply to:

1. Costs and expenses to investigate or defend any claim or "suit" or payment of any fine or penalty for A.1. or B.1., above.
2. Any loss, cost, expense, fine or penalty arising out of any:
   (a) Claim, "suit", request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, abate, mitigate, remediate, dispose of, contain, treat, detoxify or neutralize, or in any way respond to, or assess the concentration or effects of "mold", or
   (b) Claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, abating, mitigating, remediating, disposing of, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the concentration or effects of "mold".

   This exclusion 2(a) and 2(b) applies to any actual or alleged supervision, instructions, recommendations, warnings or advice given or which should have been given by any insured or others.

   Exclusions A.1., C.1. and C.2. above apply to:

   (a) "bodily injury", "property damage" and "personal and advertising injury" regardless of whether such is included within the "products-completed operations hazard";

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MARKEL
Child Care Complete
P.O. Box 440549, Kennesaw, GA 30160
Telephone: (678) 290-2100 Fax: (678) 290-2200
Email applications to: newsub@markelcorp.com
Website: markelinsurance.com

Child Care Complete

March 28, 2014

The Learning Station CDC, LLC DBA: The Learning Station
690 Singleton Ridge Road
Conway, SC 29526

Renewal Policy Number: CCA20011712-01

Policy Period: 4/17/14-4/17/15

Dear: The Learning Station CDC, LLC

We are pleased to enclose the original copy of the captioned policy. Please take a moment to review the enclosed and advise your current agent Markel Service Incorporated as to any discrepancies that become apparent within fifteen(15) business days from the date of this letter. As the insured, you are required to read the policy carefully.

We would also suggest that you and/or your staff review and become familiar with the claims reporting and notice provisions of the policy in order that any such notices may be dealt with in the most expedient fashion.

Thank you for your business with us. We have provided your agent's information below if you need to discuss any questions or concerns that you may have.

Markel Service Incorporated
4501 Highwoods Pkwy, Suite 200
Glen Allen, VA 23060

Sincerely,

TH PL CC DBI 01 14

Confidence in child care insurance.

Child Care Complete

Thank you for choosing Markel's child care insurance to protect your business.

Visit childcareinsurance.com to access:

- Safety education and training resources
- Discounts for third-party risk management services
- Our expert claims handling department

MARKEL®

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INTERLINE

HOW TO REPORT A CLAIM

How to Report a New Claim:

- Email: newclaims@markelcorp.com
- FAX: (855) 662-7535
- *Phone: (800) 362-7535
- Mail: P.O. Box 2009, Glen Allen, VA 23058-2009

Please complete the appropriate ACORD form in detail and include the name and phone number of the contact person at the location of the reported incident. If possible, please attach a copy of the facility incident report. When reporting an auto claim, please identify the unit # on the schedule along with the VIN#. If the loss/claim involves a building or damage to property, please provide the physical address of the property.

***Please refer to your specific policy language for new claim reporting requirements. Some policies require you to report all claims in writing only.**

How to send Supplemental Information / Questions on an existing claim:

- Email: markelclaims@markelcorp.com
- FAX: (855) 662-7535
- Phone: (800) 362-7535
- Mail: P.O. Box 2009, Glen Allen, VA 23058-2009

If you have questions about a claim, please call 1-800-362-7535.

Inquiries may also be faxed to 1-855-662-7535.



NOTICE OF MARKEL INSURANCE AND MARKEL AMERICAN INSURANCE COMPANY'S PRIVACY POLICY

While information is the cornerstone of our ability to provide superior service to you, our most important asset is our customer's trust. Keeping customer information secure is a top priority for all of us at Markel. We intend to use information collected only in the normal course of our business and as permitted by law. Following is our privacy policy to our individual customers.

We collect nonpublic personal information about you from the following sources:

* Information we receive from you on applications or other forms
* Information about your transactions with us, our affiliates or others, and
* Information we receive from a consumer reporting agency.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We may disclose nonpublic personal information about you to third party financial service providers, such as your insurance agent and/or broker. We may also disclose nonpublic personal information about you to non-affiliated third parties as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with applicable standards to guard your nonpublic personal information.

For further information, please contact us at 1-800-431-1270.

A STOCK COMPANY

MARKEL®

Markel Insurance Company

Ten Parkway North
Deerfield, Illinois 60015
(800) 431-1270

INSURANCE POLICY

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

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

Richard R. Dinnan — Secretary

President

MJIL 1000 06 10

Page 1 of 1

MARKEL INSURANCE COMPANY

4600 Cox Road
Glen Allen, VA 23060
(800) 431-1270

COMMERCIAL LINES POLICY DECLARATIONS

POLICY NUMBER: CCA20011712-01 PREVIOUS POLICY NUMBER: CCA20011712-00

COMPANY NAME	PRODUCER NAME 83820
Markel Insurance Company 4600 Cox Road Glen Allen, VA 23060 (800) 431-1270	Markel Service Incorporated 4501 Highwoods Pkwy, Suite 200 Glen Allen, VA 23060

NAMED INSURED: The Learning Station CDC, LLC
DBA: The Learning Station

MAILING ADDRESS: 690 Singleton Ridge Road
Conway, SC 29526

POLICY PERIOD: FROM 04/17/2014 TO 04/17/2015
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	Child Care Center

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. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
BUSINESS AUTOMOBILE COVERAGE FORM	$1,920.00
TOTAL PAYABLE:	$1,920.00

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SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
CCA20011712-01	04/17/2014

NUMBER	TITLE
MJIL 1000 (06-10)	Signature Page
MD 001-SC (07-02)	Commercial Lines Policy Declarations
MDCA 1000 (01-12)	Business Auto Declarations
IL 00 03 (09-08)	Calculation of Premium
IL 00 17 (11-98)	Common Policy Conditions
IL 00 21 (09-08)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
CA 00 01 (03-10)	Business Auto Coverage Form
CA 01 50 (03-06)	South Carolina Changes
CA 02 30 (04-10)	South Carolina Changes - Cancellation and Nonrenewal
CA 21 19 (03-06)	South Carolina Uninsured Motorists Coverage
CA 21 88 (04-13)	South Carolina Underinsured Motorists Coverage
CA 23 84 (01-06)	Exclusion of Terrorism
CA 23 94 (03-06)	Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure
CA 24 02 (12-93)	Public Transportation Autos
CA 99 03 (03-06)	Auto Medical Payments Coverage
CA 99 33 (02-99)	Employees As Insureds
MCA 1205-SC (01-12)	South Carolina Commercial Automobile Plus Extension Endorsement

MARKEL®

BUSINESS AUTO DECLARATIONS

POLICY NUMBER: CCA20011712-01 RENEWAL OF POLICY: CCA20011712-00

Item One

Named Insured and Mailing Address (No., Street, Town or City, County, State, Zip Code)

The Learning Station CDC, LLC DBA: The Learning Station
690 Singleton Ridge Road
Conway, SC 29526

Policy Period: From 04/17/2014 to 04/17/2015, at 12:01 AM Standard Time at your mailing address shown above

FORM OF BUSINESS: ☐ Corporation ☒ Limited Liability Company ☐ Partnership ☐ Individual ☐ Other: _____

AUDIT PERIOD (IF APPLICABLE): ☐ Annually ☐ Semi-annually ☐ Quarterly ☐ Monthly

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.

Item Two: Schedule Of Coverages And Covered Autos

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the covered auto section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTO	LIMIT	PREMIUM
LIABILITY	7 8 9	$1,000,000	$1,405
PERSONAL INJURY PROTECTION (Or Equivalent No-fault Coverage)		SEPARATELY STATED IN EACH PERSONAL INJURY ROTECTION ENDORSEMENT MINUS _____ DEDUCTIBLE (N/A in WA)	
ADDED PERSONAL INJURY PROTECTION (Or Equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED PERSONAL INJURY PROTECTION ENDORSEMENT	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE PROPERTY PROTECTION INSURANCE ENDORSEMENT MINUS _____ DEDUCTIBLE FOR EACH ACCIDENT	
AUTO MEDICAL PAYMENTS	7	$5,000	$86
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT	
UNINSURED MOTORISTS	7	$1,000,000	$36
UNDERINSURED MOTORISTS (When Not Included In Uninsured Motorists Coverage)	7	$1,000,000	$160
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS See Schedule DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See Item Four for Hired or Borrowed Autos.	$30
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS See Schedule DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See Item Four for Hired or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	7	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS See Schedule DEDUCTIBLE FOR EACH COVERED AUTO. See Item Four for Hired or Borrowed Autos.	$28
PHYSICAL DAMAGE TOWING AND LABOR	See MCA1205-SC	See MCA1205-SC FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO	Incl. in MCA1205-SC
		PREMIUM FOR ENDORSEMENTS	$175.00
		* ESTIMATED TOTAL PREMIUM	$1,920.00

*This policy may be subject to final Audit

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Item Three: Schedule Of Covered Autos You Own

Auto No.	DESCRIPTION	PURCHASED		TERRITORY
	Year, Model, Trade Name, Body Type, Serial Number(s), Vehicle Identification Number (VIN)	Original Cost New	Actual Cost NEW (N) USED (U)	Town & State Where the Covered Auto will be principally garaged
1	1995 Chevy Bus 1GBHG31K9SF121727	$15,000		Conway, SC 177
2	1995 Chevy Bus 1GDHG31Y8SF522116	$15,000		Conway, SC 177

Auto No.	CLASSIFICATION								Except for towing, all Physical Damage loss is payable to you and the loss payee named below according to their interests in the Auto at the time of the loss:
	Radius Of Operation	Business Use s=service r=retail c=commercial	Size GVW, GCW or Vehicle Seating Capacity	Age Group	Primary Rating Factor: Liability	Primary Rating Factor: Physical Damage	Secondary Rating Classification	Code	
1	0-50		9-20	X	1.500	0.500	0.100	6252	
2	0-50		9-20	X	1.500	0.500	0.100	6252	

COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or entry in any column below means that the limit or deductible entry in the corresponding Item Two column applies instead.)

Auto No.	LIABILITY		PERSONAL INJURY PROTECTION		ADDED PERSONAL INJURY PROTECTION	PROPERTY PROTECTION INSURANCE (Michigan only)	
	Limit	Premium	Limit stated in each P.I.P. Endt. minus deductible shown below	Premium	Limit stated in each Added P.I.P. Endt. Premium	Limit stated in each P.P.I. Endt. minus deductible shown below	Premium
1	$1,000,000	$594					
2	$1,000,000	$594					

Auto No.	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE & INCOME LOSS BENEFITS (Virginia Only)		
	Limit	Premium	Limit Stated In Each Medical Expense And Income Loss Endorsement For Each Person	Premium	
1	$5,000	$43			
2	$5,000	$43			

Auto No.	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit stated in Item Two minus deductible shown below	Premium	Limit stated in Item Two minus deductible shown below	Premium	Limit stated in Item Two minus deductible shown below	Premium	Limit Per Disablement	Premium
1	$1,000	$15			$1,000	$14		
2	$1,000	$15			$1,000	$14		

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Item Four: Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (cont'd)

COST OF HIRE RATING BASIS FOR MOBILE OR FARM EQUIPMENT – OTHER THAN PHYSICAL DAMAGE COVERAGES					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		MOBILE EQUIPMENT	FARM EQUIPMENT	MOBILE EQUIPMENT	FARM EQUIPMENT
LIABILITY – PRIMARY COVERAGE		$	$	$	$
LIABILITY – EXCESS COVERAGE		$	$	$	$
PERSONAL INJURY PROTECTION		$	$	$	$
MEDICAL EXPENSE BENEFITS (Virginia Only)		$	$	$	$
INCOME LOSS BENEFITS (Virginia Only)		$	$	$	$
AUTO MEDICAL PAYMENTS		$	$	$	$
			TOTAL PREMIUMS	$	$

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any services performed by motor carriers of property or passengers.

COST OF HIRE RATING BASIS FOR MOBILE OR FARM EQUIPMENT – PHYSICAL DAMAGE COVERAGES						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			MOBILE EQUIPMENT	FARM EQUIPMENT	MOBILE EQUIPMENT	FARM EQUIPMENT
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS $_____ DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING	$	$	$	$
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS $_____ DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM	$	$	$	$
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS $_____ DEDUCTIBLE FOR EACH COVERED AUTO	$	$	$	$
				TOTAL PREMIUMS	$	$

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.

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Item Six: Schedule For Gross Receipts Or Mileage Basis (cont'd)

ADDRESS OF BUSINESS HEADQUARTERS LOCATION:		
TYPE OF RISK (check one)	☐ PUBLIC AUTOS	☐ LEASING OR RENTAL CONCERNS
RATING BASIS (check one)	☐ GROSS RECEIPTS (PER $100)	☐ MILEAGE (PER MILE)
ESTIMATED YEARLY (GROSS RECEIPTS OR MILEAGE):		

	PREMIUMS
LIABILITY	$
PERSONAL INJURY PROTECTION	$
ADDED PERSONAL INJURY PROTECTION	$
PROPERTY PROTECTION INSURANCE (Michigan Only)	$
AUTO MEDICAL PAYMENTS	$
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)	$
COMPREHENSIVE	$
SPECIFIED CAUSES OF LOSS	$
COLLISION	$
TOWING AND LABOR	$

ADDRESS OF BUSINESS HEADQUARTERS LOCATION:		
TYPE OF RISK (check one)	☐ PUBLIC AUTOS	☐ LEASING OR RENTAL CONCERNS
RATING BASIS (check one)	☐ GROSS RECEIPTS (PER $100)	☐ MILEAGE (PER MILE)
ESTIMATED YEARLY (GROSS RECEIPTS OR MILEAGE):		

	PREMIUMS
LIABILITY	$
PERSONAL INJURY PROTECTION	$
ADDED PERSONAL INJURY PROTECTION	$
PROPERTY PROTECTION INSURANCE (Michigan Only)	$
AUTO MEDICAL PAYMENTS	$
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)	$
COMPREHENSIVE	$
SPECIFIED CAUSES OF LOSS	$
COLLISION	$
TOWING AND LABOR	$

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

A. Amounts paid to air, sea or land carriers operating under their own permits.
B. Advertising revenue.
C. Taxes collected as a separate item and paid directly to the government.
D. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total of all live and dead mileage of all "autos" you leased or rented to others without drivers.

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IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

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

The following is added:

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

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COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

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

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

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

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

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COMMERCIAL AUTO
CA 00 01 03 10

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

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

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

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

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(2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to $2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $250 a day because of time off from work.

(5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

(1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

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Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

(1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";

(2) Otherwise in the course of transit by or on behalf of the "insured"; or

(3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

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b. War Or Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

a. Wear and tear, freezing, mechanical or electrical breakdown.

b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.

c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

a. Permanently installed in or upon the covered "auto";

b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. $1,000 is the most we will pay for "loss" in any one "accident" to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or

c. An integral part of such equipment.

3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

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B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

a. This coverage form;

b. The covered "auto";

c. Your interest in the covered "auto"; or

d. A claim under this coverage form.

3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

5. Other Insurance

a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own.

(2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

a. During the policy period shown in the Declarations; and

b. Within the coverage territory.

The coverage territory is:

(1) The United States of America;

(2) The territories and possessions of the United States of America;

(3) Puerto Rico;

(4) Canada; and

(5) Anywhere in the world if:

(a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

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Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
   a. Power cranes, shovels, loaders, diggers or drills; or
   b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph **1.**, **2.**, **3.** or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
   a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
   b. Cherry pickers and similar devices used to raise or lower workers; or

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COMMERCIAL AUTO
CA 01 50 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. **Concealment, Misrepresentation Or Fraud,** General Condition **2.,** does not apply to **Section II – Liability Coverage.**

B. The Business Auto, Truckers and Motor Carrier Coverage Forms are changed as follows:

The **Expected Or Intended Injury** Exclusion is replaced by the following:

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However, this exclusion does not apply for amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.

C. The Garage Coverage Form is changed as follows:

1. **Changes In Liability Coverage**

Paragraph **a.2.(d)** of the **Who Is An Insured** Provision in **Section II – Liability Coverage** is replaced by the following:

Your customers. However, those customers are "insureds" up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.

2. The **Expected Or Intended Injury** Exclusion is replaced by the following:

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However this exclusion does not apply:

a. For amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.

b. To "bodily injury" resulting from the use of reasonable force to protect persons or property, for "garage operations" other than covered "autos".

D. **Physical Damage Coverage** is changed as follows:

No deductible applies to auto safety glass. All other Physical Damage Coverage provisions will apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The **Cancellation** Common Policy Condition is amended as follows:

1. Paragraph **2.** is replaced by the following:

   We will mail or deliver to you and your agent written notice of cancellation, stating the reason(s) for cancellation, at the addresses shown in the policy, at least:

   a. 15 days before the effective date of cancellation if cancellation is for nonpayment of premium.

   b. 30 days before the effective date of cancellation if cancellation is for any other reason.

2. The following is added to Paragraph 4.:

   If this policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period. However, if this policy is canceled for nonpayment of premium, the cancellation will become effective only on or after the 31st day of the policy period.

3. The following is added:

   If this policy has been in effect for more than 90 days, we may cancel this policy only for the following reasons:

   a. Nonpayment of premium;

   b. Material misrepresentation of fact, which if known to us would have caused us not to issue the policy;

   c. Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the policy;

   d. Substantial breach of contractual duties, conditions or warranties; or

   e. Loss of our reinsurance covering all or a significant part of the particular risk insured, or where continuation of the policy would imperil our solvency or place us in violation of the laws of South Carolina.

B. **Nonrenewal**

   If we decide not to renew or continue this policy, we will mail to you and your agent written notice, stating the reason(s) for nonrenewal, at the addresses shown in the policy, at least 30 days before the end of the policy period.

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POLICY NUMBER: CCA20011712-01

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA UNINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: The Learning Station CDC, LLC **Endorsement Effective Date:** 04/17/2014
Countersignature Of Authorized Representative
Name: **Title:** **Signature:** **Date:**

SCHEDULE

Limit Of Insurance: $1,000,000	**Each "Accident"**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:
   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and
   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".
4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained in an "accident" by an individual Named Insured or any "family member" while "occupying" a vehicle not owned by that Named Insured or any "family member", the most we will pay for all damages resulting from the "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".
5. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an "insured" other than an individual Named Insured or any "family member" in an "accident" in which neither such Named Insured nor any "family member" sustained "bodily injury" or "property damage", the most we will pay for all damages resulting from that "accident" is the limit of insurance shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".
6. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

   We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. **Changes In Conditions**

1. **Other Insurance** in Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is replaced by the following:
   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

FIRST PRIORITY	The policy affording Uninsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
SECOND PRIORITY	Any policy affording Uninsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.
   (2) If there is applicable insurance available under the first priority:
      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and
      (b) The maximum recovery in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits in the same level of priority.
   c. For "property damage", this insurance is excess to all collectible insurance of any kind.
   d. Except for "property damage", the reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
   a. Promptly notify the police if a hit-and-run driver is involved; and
   b. Promptly send us copies of the legal papers if a "suit" is brought.

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POLICY NUMBER: CCA20011712-01

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA
UNDERINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: The Learning Station CDC, LLC	
Endorsement Effective Date: 04/17/2014	
Countersignature Of Authorized Representative	
Name:	
Title:	
Signature:	
Date:	

SCHEDULE

Limit Of Insurance: $1,000,000	**Each "Accident"**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
   a. The Named Insured and any "family members".

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3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:
   a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and
   b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".
4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".
5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

   We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:
   a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

   (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.
   (2) If there is applicable insurance available under the first priority:
      (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and
      (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.
   b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.

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COMMERCIAL AUTO
CA 23 84 01 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury, damage, loss or expense, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

   a. That involve the following or preparation for the following:

      (1) Use or threat of force or violence; or

      (2) Commission or threat of a dangerous act; or

      (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

   b. When one or both of the following applies:

      (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

      (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury, damage, loss or expense" means any injury, damage, loss or expense covered under any Coverage Form or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal injury", "personal and advertising injury", "loss", loss of use, rental reimbursement after "loss" or "covered pollution cost or expense", as may be defined under this Coverage Form, Policy or any applicable endorsement.

B. Except with respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury, damage, loss or expense" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury, damage, loss or expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury, damage, loss or expense. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC TRANSPORTATION AUTOS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

LIABILITY COVERAGE for a covered "auto" licensed or used to transport the public is changed as follows:

The CARE, CUSTODY OR CONTROL exclusion does not apply to "property damage" to or "covered pollution cost or expense" involving property of the "insured's" passengers while such property is carried by the covered "auto".

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With respect to this Exclusion, Paragraph C.5. describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

D. In the event of any incident of "terrorism" that is not subject to the Exclusion in Paragraphs B. or C., coverage does not apply to "any injury, damage, loss or expense" that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following exclusion is added to Paragraph **B. Exclusions of Section II – Liability Coverage** in the Business Auto, Motor Carrier and Truckers Coverage Forms and for **"Garage Operations" – Covered "Autos"** in the Garage Coverage Form:

SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE

This insurance does not apply to:

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

B. **Additional Definitions**

As used in this endorsement:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
   a. War, including undeclared or civil war;
   b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
   c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEES AS INSUREDS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The following is added to the **Section II – Liability Coverage,** Paragraph **A.1. Who Is An Insured** Provision:
Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

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COMMERCIAL AUTO

MARKEL INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA COMMERCIAL AUTOMOBILE PLUS EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Unless specifically stated in this endorsement, all other terms, conditions and exclusions of the policy remain unchanged.

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations page or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

SCHEDULE

Broad Form "Insured"	Broadened to include subsidiaries and newly formed or acquired organizations
"Employee" Hired "Autos"	Included
Blanket Additional Insured	Included
Supplementary Payments	
Bail Bonds	$3,000
Loss of Earnings	Up to $500 per day
Fellow "Employee" Exclusion	Deleted for owned "autos" - excess basis
Hired "Auto" Physical Damage	Up to $75,000
Loss of Use for Hired "Auto"	Up to $1,000 per "accident"
Transportation Expense	Up to $50 per day/$1,500 maximum
Glass Breakage Amendment	Deductible waived
Rental Reimbursement	Up to $100 per day/Up to 30 days/$3,000 maximum
Personal Effects Coverage	Up to $500 in the event of a total theft of a covered "auto"
Customized Furnishings Coverage	Up to $500 per "accident"
Duties in the Event of "Accident", Claim, "Suit" or "Loss"	Broadened
Unintentional Failure to Disclose Hazards	Included
Mental Anguish Resulting from "Bodily Injury"	Included
Accidental Airbag Discharge Coverage	Included
Auto Loan or Lease Gap Coverage	Included
Towing and Labor - Private Passenger Type Vehicles	Up to $100 per disablement
Temporary Substitute Auto - Physical Damage Coverage	Included
Extra Expense - Broadened Coverage	Included
Blanket Waiver of Subrogation	Included

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(2) Up to $3,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

5. FELLOW "EMPLOYEE" EXCLUSION

SECTION II - LIABILITY COVERAGE, Exclusion B.5., Fellow Employee does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire. Coverage is excess over any other collectible insurance..

6. HIRED "AUTO" PHYSICAL DAMAGE AND LOSS OF USE

The following is added to SECTION III, PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions:

Hired "Auto" Physical Damage and Loss of Use

If Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this policy for any "auto" that is not a hired "auto", then Hired "Auto" Physical Damage Coverage, subject to the following limit, is provided for those coverages.

The most we will pay for any one "accident" or "loss" is $75,000 or the Actual Cash Value or Cost of Repair, whichever is smallest. Hired "Auto" Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit and excess provision, we will provide coverage equal to the broadest coverage applicable to any covered "auto" shown in the Declarations.

For each hired "auto", the limit of insurance shown above shall be reduced by a deductible. That deductible shall be equal to the greatest deductible that applies to any owned covered "auto".

SECTION III, PHYSICAL DAMAGE COVERAGE, A.4.b., Loss of Use Expenses, is amended to provide the following limits in lieu of as shown:

Our payment is limited to the lesser of:

(1) Necessary and actual expenses incurred; or

(2) A maximum of $1000 per "accident".

7. TRANSPORTATION EXPENSE

SECTION III, PHYSICAL DAMAGE COVERAGE, A.4.a. is amended to provide a limit of $50 per day and a maximum limit of $1500 in lieu of as shown.

8. GLASS BREAKAGE

Section III, Physical Damage Coverage, A.3.a. is deleted and replaced by the following:

a. With respect to glass breakage to private passenger "autos any deductible shown in the Declarations shall not apply to glass breakage.

9. RENTAL REIMBURSEMENT COVERAGE

The following is added to SECTION III, A., PHYSICAL DAMAGE COVERAGE:

Rental Reimbursement

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage. However:

a. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

(1) The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.

(2) 30 days.

b. Our payment is limited to the lesser of the following amounts:

(1) Necessary and actual expenses incurred.

(2) $100 per day up to a maximum limit of $3,000.

This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under Item 7. TRANSPORTATION EXPENSE above.

10. PERSONAL EFFECTS COVERAGE

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Any unintentional failure to disclose or misrepresentation of a material fact at any time by you or any other "insured" will not result in a denial of coverage under this policy because of such concealment or misrepresentation.

14. **MENTAL ANGUISH WHEN RESULTING FROM BODILY INJURY**

SECTION V, DEFINITIONS, Item C., "Bodily Injury" is deleted and replaced by the following:

C. "Bodily injury" means:

1. Bodily injury, sickness or disease sustained by a person, and also includes mental anguish or emotional distress provided such mental anguish or emotional distress results from any of these; and
2. Includes death resulting from bodily injury, sickness or disease.

15. **ACCIDENTAL AIRBAG DISCHARGE**

The following is added to **SECTION III, PHYSICAL DAMAGE COVERAGE, B., Exclusion 3.a.:**

However, the mechanical and electrical breakdown portion of this exclusion does not apply to the accidental discharge of an airbag. This coverage for airbags is excess over any other collectible insurance or warranty that may apply.

16. **AUTO LOAN OR LEASE GAP COVERAGE**

The following is added to **SECTION III, PHYSICAL DAMAGE COVERAGE, C., Limit of Insurance:**

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the Physical Damage Coverage Section of the policy; and
2. Any:
   a. Overdue lease/loan payments and financial penalties associated with those payments at the time of the "loss";
   b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
   c. Nonrefundable security deposits;
   d. All refunds paid or payable to you as a result of the early termination of the lease agreements;
   e. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
   f. Carry-over balances from previous loans or leases.

This coverage will only apply when no provision for this or similar coverage is included in the original lease agreement written on the covered leased "auto".

17. **TOWING AND LABOR LIMIT**

SECTION III, PHYSICAL DAMAGE COVERAGE, A.2. Towing is deleted and replaced by the following:

We will pay up to $100 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

18. **TEMPORARY SUBSTITUTE AUTO - PHYSICAL DAMAGE COVERAGE**

The following is added to **SECTION I - COVERED AUTOS, Paragraph C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos:**

If Physical Damage coverage is provided by this Coverage Form, then you have coverage for:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its breakdown, repair, servicing, "loss" or destruction.

19. **EXTRA EXPENSE - BROADENED COVERAGE**

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, Paragraph A. Coverage:**

5. We will pay for the expense of returning a stolen covered "auto" to you.

20. **BLANKET WAIVER OF SUBROGATION**

The following is added to **SECTION IV, A.5., Transfer Of Rights Of Recovery Against Others To Us:**

We waive the right or recovery we may have for payments made for "bodily injury" or "property damage" on behalf of persons or organizations added as "insureds" under Paragraphs **1. BROAD FORM INSURED** and **3. BLANKET ADDITIONAL INSURED** of this endorsement.

All other terms and conditions remain unchanged.

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Child Care Complete
P.O. Box 440549, Kennesaw, GA 30160
Telephone: (678) 290-2100 Fax: (678) 290-2200
Email applications to: newsub@markelcorp.com
Website: markelinsurance.com

Child Care Complete

March 28, 2014

The Learning Station CDC, LLC DBA: The Learning Station
690 Singleton Ridge Road
Conway, SC 29526

Renewal Policy Number: CCH20011712-01

Policy Period: 4/17/14-4/17/15

Dear: The Learning Station CDC, LLC

We are pleased to enclose the original copy of the captioned policy. Please take a moment to review the enclosed and advise your current agent Markel Service Incorporated as to any discrepancies that become apparent within fifteen(15) business days from the date of this letter. As the insured, you are required to read the policy carefully.

We would also suggest that you and/or your staff review and become familiar with the claims reporting and notice provisions of the policy in order that any such notices may be dealt with in the most expedient fashion.

Thank you for your business with us. We have provided your agent's information below if you need to discuss any questions or concerns that you may have.

Markel Service Incorporated
4501 Highwoods Pkwy, Suite 200
Glen Allen, VA 23060

Sincerely,

TH PL CC DBI 01 14

Confidence in child care insurance.



Child Care Complete

Thank you for choosing Markel's child care insurance to protect your business.

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- Safety education and training resources
- Discounts for third-party risk management services
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Return Completed form to:
Health Special Risk HSR Plaza II
4100 Medical Parkway
Carrollton, TX 75007
P: 888-765-7223 | F: 972-512-5820 | claims@hsri.com

Special Risk
Claim Form

Instructions for Filing a Claim
1. Complete this form (including the appropriate signatures).
2. Attach all itemized bills relating to the claim.
3. Submit the completed form and bills to the address or fax number above.
In order to pay claims we must have your Social Security Number
Claim procedures, online access to our claim form, and our privacy policy are available from our website at: www.MarkelAH.com

Part 1 – POLICYHOLDER'S REPORT

Name of School		Name of Policyholder			Policy Number
Claimant's Name		Gender ☐ Male ☐ Female			Date of Birth
Social Security Number (Required)		Email Address			
Claimant's Address		City	State	Zip	Phone Number
Parent's Name (if applicable)	Parent's Address (if applicable)	City	State	Zip	Phone Number

1. Date and time of the accident: _____ Place where the accident occurred? _____
2. Was the injured person? ☐ Participant ☐ Staff ☐ Member ☐ Guest ☐ Volunteer

FOR DENTAL CLAIMS ONLY
3. Indicate which teeth were involved in the accident: _____
4. Describe condition of injured teeth prior to accident: ☐ Whole, Sound, and Natural ☐ Filled ☐ Capped ☐ Artificial
5. Nature of injury: _____
(Indicate Part of Body Injured – e.g. broken arm, sprained ankle, etc.)
6. Describe how the accident occurred – give all possible details – must be a bodily injury due to accident:
_____
7. Did the accident occur?
   A. During a policyholder sponsored & supervised activity? ☐ Yes ☐ No
   B. During programmed hours? ☐ Yes ☐ No
   C. On activity premises? ☐ Yes ☐ No
   D. While traveling directly to or from a sponsored event? ☐ Yes ☐ No
   E. During a USGF sanctioned event (Gymnastics schools only) or competition? ☐ Yes ☐ No
8. Name of the event or activity: Name and Title of Supervisor: _____
9. Representative Signature _____ Title _____ Date _____

Part 2 – OTHER INSURANCE STATEMENT

Do you/spouse/parent have medical/health care coverage through an employer or other source on you? ☐ Yes ☐ No
If Yes, Name of insurance company _____ Policy # _____
Is the Claimant enrolled as an individual, employee or dependent member of one of the following:
Preferred Provider Organization (PPO), Health Maintenance Organization (HMO) or similar prepaid health care plan, or any other type of accident/health/sickness plan? ☐ Yes ☐ No
If Yes, Name of insurance company _____ Policy # _____
IF OTHER INSURANCE OR HEALTH CARE PLANS EXIST, PLEASE SUBMIT COPIES of their EXPLANATION OF BENEFITS along with your claim. IF NO OTHER INSURANCE or HEALTH PLAN EXISTS, PLEASE READ & SIGN BELOW.
I agree that should it be determined at a later date there is insurance (or similar), to reimburse Markel Insurance Company to the extent of any amount collectible. Signature of Volunteer: _____ Witness: _____ Date: _____

AUTHORIZATION FOR RELEASE OF INFORMATION

For services rendered or to be rendered I hereby authorize MARKEL INSURANCE COMPANY or their representatives to pay benefits in connection with this accident or illness direct to the doctor, hospital or other rendering service. If receipted bills are submitted, the benefits are to be paid to the insured.
Claimant, Parent or Authorized Representative's Signature: _____ Date: _____
If Authorized Representative, Relationship to Patient or Legal Designation: _____

AUTHORIZATION FOR RELEASE OF INFORMATION

I AUTHORIZE any physician, medical care provider, hospital, clinic, medical care facility, insurance company, government-sponsored health plan, or employer having information available as to diagnosis, treatment and prognosis with respect to any illness, injury, physical or mental condition, and/or treatment for me or my minor children now or in the past, to give to Markel Insurance Company (MIC) or its legal representative, any and all such information. I UNDERSTAND the information obtained by use of the Authorization will be used by MIC to determine eligibility for insurance and eligibility for benefits under any existing policy. Any information obtained will not be released by MIC to any person or organization EXCEPT as necessary in connection with the processing of this application, claim, or as may be otherwise lawfully required or as I may further authorize. I KNOW that I may request to receive a copy of this Authorization. I AGREE that a photographic copy of this Authorization shall be valid as the original. I also AGREE this Authorization shall be valid for a period of two years from the date shown below. I may revoke this authorization at any time by written request to MIC. I CERTIFY that the above information given by me in support of this claim is true and correct.
Claimant, Parent or Authorized Representative's Signature: _____ Date: _____
If Authorized Representative, Relationship to Patient or Legal Designation: _____

PLEASE NOTE:

In furnishing this or other claim forms for the convenience of the claimant, MARKEL INSURANCE COMPANY does not admit any liability or waive any rights. MARKEL INSURANCE COMPANY reserves the right to ask for other information if it is deems necessary. All expenses incurred in connection with furnishing the necessary proof of loss are the responsibility of the covered person.

MSR-CF-HSR (4/10)

FRAUD STATEMENTS

GENERAL: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act.
ALASKA: Any person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.
ARIZONA: For your protection Arizona law requires the following statement to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.
ARKANSAS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
CALIFORNIA: For your protection, California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.
COLORADO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
DELAWARE: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.
DISTRICT OF COLUMBIA RESIDENTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
FLORIDA: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
IDAHO: Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony.
INDIANA: A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.
KENTUCKY: Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.
LOUISIANA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
MAINE: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.
MARYLAND: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
MINNESOTA: A person who files a claim with intent to defraud, or helps commit a fraud against an insurer, is guilty of a crime.
NEW HAMPSHIRE: Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.
NEW JERSEY: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.
NEW MEXICO: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.
NEW YORK: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.
OHIO: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
OKLAHOMA: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.
OREGON: Any person who knowingly and with intent to defraud or solicit another to defraud an insurer: (1) by submitting an application, or (2) by filing a claim containing a false statement as to any material fact, may be violating state law.
PENNSYLVANIA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent act, which is a crime and subjects such person to criminal and civil penalties.
TENNESSEE: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
TEXAS: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.
VIRGINIA: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
WEST VIRGINIA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

MSR-CF-HSR (4/10)



NOTICE OF MARKEL INSURANCE AND MARKEL AMERICAN INSURANCE COMPANY'S PRIVACY POLICY

While information is the cornerstone of our ability to provide superior service to you, our most important asset is our customer's trust. Keeping customer information secure is a top priority for all of us at Markel. We intend to use information collected only in the normal course of our business and as permitted by law. Following is our privacy policy to our individual customers.

We collect nonpublic personal information about you from the following sources:

* Information we receive from you on applications or other forms
* Information about your transactions with us, our affiliates or others, and
* Information we receive from a consumer reporting agency.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We may disclose nonpublic personal information about you to third party financial service providers, such as your insurance agent and/or broker. We may also disclose nonpublic personal information about you to non-affiliated third parties as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with applicable standards to guard your nonpublic personal information.

For further information, please contact us at 1-800-431-1270.

IMPORTANT PRIVACY NOTICE - PLEASE READ

Markel is committed to safeguarding your privacy. We understand your concerns regarding the privacy of your nonpublic personal financial information, and want to assure you that we do not sell this information to anyone for marketing or other purposes. We only use and share this type of information with non-affiliated third parties for purposes of underwriting insurance, administering your policy or claim and other purposes permitted by law, such as disclosures to insurance regulatory authorities or in response to legal process.

Federal law and the various state insurance departments regulate what types of disclosures are acceptable. For example, we are permitted to disclose nonpublic personal financial information as necessary to administer your policy or claim. Representative types of non-affiliated third parties that may be involved in your insurance transaction include the following individuals or organizations:

* Your insurance agent, broker or agency.
* A government agency or other organization pursuant to an examination of our records and/or practices.
* Your attorney, trustee or anyone else who has a legal interest in your policy.
* Persons to whom a court requires us, by order or subpoena, to provide information.
* Claims adjusters or investigators.
* An insurance support organization to prevent or prosecute fraud.
* Insurance rate advising organizations.
* Reinsurers.

We have and maintain strict policies and procedures to protect the confidentiality of your nonpublic personal financial information. We maintain physical, electronic and procedural safeguards to protect this information from unauthorized access. Access to your information is restricted to those individuals having a business need for such information.

At Markel, we take your privacy very seriously. Enclosed you will find our privacy notice with your policy.

A STOCK COMPANY

MARKEL

MARKEL INSURANCE COMPANY

Deerfield, Illinois 60015

BLANKET
ACCIDENT AND HEALTH POLICY
SPECIAL RISK

THE ATTACHED DECLARATIONS PAGE, SPECIAL POLICY CONDITIONS, FORMS, AND ENDORSEMENT; COMPLETE THIS POLICY

MSR100-SC (080)

SECTION 2 DEFINITIONS

You, your or yours mean the Policyholder shown in Section 1.

We, us or our means Markel Insurance Company.

Insured means a member of the class(es) of person(s) as shown in Section 1, while they are covered under this Policy.

Physician means any practitioner of the healing arts, licensed by the state in which he practices and acting within the scope of his license, including a duly licensed podiatrist, surgeon, osteopath, dentist, chiropractor, optometrist, psychologist, physical therapist and graduate nurse. Physician shall not include a member of the Insured's immediate family.

Hospital means a licensed institution including a tax-supported institution of the state, which has on the premises, or prearranged access to, medical and surgical facilities. It must maintain permanent facilities for the care of overnight resident patients under the care of a Physician. It must have a Registered Nurse (R.N.) always on duty or call. Confinement in the special wing of a Hospital used primarily as a nursing, rest, convalescent or extended care facility is not confinement in a Hospital, unless such confinement is because of a lack of space in the Hospital's full service wing.

Ambulatory Surgical Center or Ambulatory Medical Center means a licensed facility providing ambulatory surgical or medical treatment, other than a Hospital, clinic or Physician's office.

Loss means medical Expense caused by Injury or Sickness and covered by the Policy.

Injury means bodily harm caused by an accident which occurs while this Policy is in force and is the sole cause of the Loss.

Sickness means disease or illness which; (a) is first diagnosed and treated while the Insured is covered under this Policy; and (b) causes a Loss to the Insured which is covered by this Policy. "Sickness" includes Normal Pregnancy and Complications of Pregnancy.

Pre-existing Condition means the existence of symptoms which would cause a person to seek diagnosis, care or treatment within a six month period preceding the effective date of coverage of the Insured Person, or a condition for which medical advice or treatment was recommended by a Physician or received from a Physician within a six month period preceding the effective date of coverage of the Insured Person.

Complications of Pregnancy means conditions whose diagnoses are distinct from pregnancy, but are adversely affected by or are caused by pregnancy. Such complications include, but are not limited to: a) acute nephritis; b) nephrosis; c) cardiac decompensation; d) missed abortion; e) hyperemesis gravidarum; f) preeclampsia; and g) similar medical and surgical conditions of comparable severity. Complications of Pregnancy also includes: a) nonelective Cesarean sections; b) ectopic pregnancy which is terminated; and c) spontaneous termination of pregnancy which occurs during a period of gestation in which a viable birth is not possible. Complications of Pregnancy shall not mean: a) false labor; b) occasional spotting; c) Physician prescribed rest during the period of Pregnancy; d) morning sickness; or e) similar conditions associated with the management of a difficult pregnancy, but not constituting a distinct Complication of Pregnancy.

Prescription Medicines or Drugs means any medicine or drug, under applicable state law, that is dispensed only with written prescription from a Physician and has a label bearing the legend: "Caution: Federal Law prohibits the dispensing without a prescription." It is also any mixed medicine with at least one ingredient bearing the above legend

Expense means the Usual and Customary charges for Medically Necessary treatment, service or supplies. Such Expense shall not include any amount not customarily charged to persons without insurance.

Usual and Customary Expense means an Expense which: (a) is charged for treatment, supplies or medical services Medically Necessary to treat the Insured's condition; and (b) does not exceed the usual level of charges made for similar treatment, supplies or medical services in the locality where the Expense is incurred.

Medically Necessary means medical services, supplies or treatments authorized by a Physician to treat an Insured Person's bodily Injury or Sickness which are: a) consistent with the symptoms or diagnosis; b) appropriate and accepted according to good medical practice standards; c) not primarily for the convenience of the Insured Person, Physician or other providers; and d) consistent with the most appropriate supply or level of services which can safely be provided to the patient.

The Aggregate Limit of Indemnity stated in Section 1 shall be the total limit of our liability for all coverages payable under the Policy with respect to all classes of Insured Persons arising out of Injury sustained by two or more Insured Persons as the result of any one accident. If the total of such indemnities exceed the Aggregate Limit of Indemnity, we shall not be liable to any one Insured Person for a greater proportion of such Insured Person's indemnity than said Aggregate Limit of Indemnity bears to the total indemnities afforded by the coverage to all such Insured Persons.

Deductible means the amount an Insured is required to pay as provided by the applicable coverage under this Policy in the event of a Loss.

Home Health Care Expenses means the care and treatment of an Insured who is under the care of a Physician, only if hospitalization or confinement in a skilled nursing facility as defined in title XVIII of the Social Security Act would otherwise have been required if home care was not provided, and the plan covering the Home Health Service is established and approved in writing by such Physician. Home care shall be provided by a certified home health agency possessing a valid certificate of approval issued pursuant to public health law.

SECTION 3 EFFECTIVE DATE, POLICY TERM, POLICY TERMINATION AND RENEWAL

This Policy is effective on the Effective Date in Section 1 and expires on the Expiration Date. With our consent, it may be renewed by paying the renewal premium within the grace period in Section 5. Upon 60 days' prior written notice, we may change the premium rate, but not more often than once every twelve months. We reserve the right to refuse to renew this Policy.

SECTION 4 EFFECTIVE DATE OF INDIVIDUAL INSURANCE

The person eligible for inclusion as Insured Persons shall be all persons denoted in classifications described in Section 1. Insurance for such eligible persons shall become effective with respect to the activity and/or trip covered and benefits designated in Section 1 on the effective date in Section 1.

The insurance for any Insured shall terminate on the earliest of the following dates:

1. The date this Policy expires; or
2. The Premium due date if you fail to pay the required premium for the Insured, subject to the Grace Period, except as the result of an inadvertent error; or
3. The date the Insured ceases to be a member of any class, as shown in Section 1.

Termination of coverage will not affect any claim, which starts before termination.

SECTION 5 POLICY PROVISIONS

Entire Contract; Changes

This Policy and endorsements signed by the policyholder and Insurer are the entire contract. Any change, modification or waiver of this Policy or a certificate issued under it must be in writing and signed by one of the following: our President; our Vice President; a Secretary; or Assistant Secretary.

Grace Period

This Policy has a 31-day Grace Period. If the premium is not paid by the due date, it may be paid during the first 31 days immediately following the due date. The Policy will remain in force during the Grace Period. The Grace Period does not apply:

(a) to the first premium due; or
(b) to premium due thereafter if we have given you 60 days' prior notice that we will not renew the policy.

Notice of Claim

Notice of Claim must be given to us within 30 days after a Loss occurs, or as soon thereafter as possible. The notice can be given to us at P.O. Box 2039 Glen Allen, VA 20358-2039. Notice should include the Insure Person's name and Policy number.

Claim Forms

When we receive the Notice of Claim, we will send the Insured Proof of Loss forms. If we do not send these forms within 15 days, the Insured can meet the Proof of Loss requirement by giving us a written statement of the nature and extent of the Loss within the time limit in the Proofs of Loss Section.

Proofs of Loss

Written Proof of Loss must be given to us within 90 days after such Loss. We will not deny or reduce any claim because proof is not filed within this time, if it is filed as soon as reasonably possible. In any event, the proof required must be given, unless the claimant is legally incapacitated.

Time of Payment of Claims

After receiving written Proof of Loss, we will immediately pay all benefits as they accrue.

Payment of Claims

After receiving written Proof of Loss, we will pay all benefits to the Insured, if living, or at the Insured's request, to the Hospital or person rendering services. It is not required that the service be rendered by a particular Hospital or person.

Benefits for accidental death, if any, will be paid to the named beneficiary, other than the policyholder or an officer thereof, if then living. If no beneficiary is named, or the named beneficiary predeceases the Insured, such benefits will be paid to the Insured's estate.

Discontinuance of this Policy will not prejudice any claim incurred while this Policy is in force.

Physical Examination

We, at our expense, have the right to have any Insured examined by a Physician of our choice as often as reasonably necessary, while a claim is pending.

Legal Actions

No legal action may be brought to recover on this Policy: (a) within 60 days after written Proof of Loss has been given as required; or (b) after six years form the time written Proof of Loss is required, or after the expiration of the applicable statute of limitations, if greater.

Change of Beneficiary

The Insured can change the beneficiary at any time giving us written notice. The beneficiary's consent is not required for this or any other change in the coverage.

Conformity With State Statutes

Any provision of this policy which, on its effective date, is in conflict with the statutes of the state in which it is issued or in which the Insured Person resides, is hereby amended to conform to the minimum requirements of such statutes.

Assignment

This Policy and an Insured's coverage may not be assigned.

Records Maintained

You must retain adequate records of this insurance.

Examination and Audit

At any reasonable time and for any purpose relating to this Policy, your records shall be open for our inspection and audit. Such examination may be made during the Policy term; within 3 years after the Policy is terminated; or until final settlement of all claims hereunder, whichever is later.

Subrogation

When benefits are paid to or for an Insured Person under the terms of the Policy, we shall be subrogated, unless other wise prohibited by law to the rights of recovery of such Insured Person once the Insured has been indemnified for his Loss, against any person who might be acknowledged liable or found legally liable by a Court of competent jurisdiction for the Injury or Sickness that necessitated the hospitalization or the medical or the surgical treatment for which the benefits were paid. Such subrogation rights shall extend only to the Insured's right of recovery against a liable third party for not more than the amount of insurance benefits that we have paid previously in relation to the Insured's Injury by the liable third party.

Right of Recovery

Payments made by us which exceed the Covered Expenses (after allowance for Deductible and coinsurance clauses, if any) payable hereunder, shall be recoverable by us from or among any persons, firms, or corporations to or for whom such payments were made.

Workers' Compensation

This Policy is not in place of and does not affect any requirement for such coverage by workers' compensation insurance.

SECTION 6 COVERAGE

All Policy benefits are indicated in Section 1 – Scheule of Insurance and as described herein, or in riders attached to and made a part of this Policy.

Accident Medical Expense Benefit

When an Insured's Injury requires:

(a) treatment by a Physician;
(b) Hospital services;
(c) services of a licensed practical nurse or RN;
(d) x-ray service;
(e) use of operating room, anesthesia (including the administration thereof), laboratory services;
(f) use of an ambulance;
(g) use of an Ambulatory Surgical Center or Ambulatory Medical Center;
(h) if ordered by a Physician, prescription medicines, drugs or any other therapeutic services or supplies; or
(i) Home Health Care Expenses,

we will pay the Expense, subject to the Coinsurance Percentage, incurred within the Benefit Period after the date of the accident that exceeds the Deductible Amount. Our payment will not exceed the Aggregate Maximum for a single accident.

The Deductible Amount, Coinsurance Percentage, Benefit Period and the Aggregate Maximum are shown in Section 1 – Schedule of Insurance. These amounts apply to each Insured.

Accidental Death and Dismemberment Benefits

Accidental Death and Dismemberment Insurance covers the Insured for a Loss as shown below. The Loss must result from an accident, directly and independently of all other causes. The accident must take place while the person is an Insured under this Policy. Also, the Loss must take place within 52 weeks after the accident.

The following table shows the amounts we will pay

For Loss of	Amount
Life	Principal
Both hands or both feet or sight of both eyes	Principal
One hand and one foot	Principal
One hand and sight of one eye	Principal
One foot and sight of one eye	Principal
One hand or one foot or sight of one eye	½ the Principal

The most we will pay for all Losses to an Insured as the result of one accident is the Principal shown on the Schedule.

Loss to hands and feet means severance at or above the wrist or ankle joints. Loss of sight means total and irrecoverable loss of sight.

Accidental Death and Dismemberment Benefit Limitations

We will not pay for a Loss caused in any way by:

1. Bodily or mental infirmity or illness;
2. Infection; except pyogenic or bacterial infection in a cut or wound caused by an accident;
3. Medical or surgical treatment; except for surgery which results from an accident;
4. Air travel, other than as a fare-paying passenger on a scheduled commercial flight;
5. War or act of war;
6. Taking part in a riot or felony; this shall not include being a victim of a felony;
7. Suicide; attempted suicide or intentional self-inflicted injury.

SECTION 7 EXCLUSIONS

The Policy does not cover Loss nor provide benefits for:

1. Expenses for treatment on or to the teeth; except for treatment resulting from injury to natural teeth;
2. Services normally provided without charge by you or your employees;
3. Eyeglasses, hearing aids, and examination for the prescription or fitting thereof;
4. Suicide, attempted suicide or intentionally self-inflicted injury;
5. Injury due to participation in a felony, riot or insurrection;
6. Cosmetic surgery, except "cosmetic surgery" shall not include reconstructive surgery when such services is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part, and reconstructive surgery because of congenital disease or anomaly of a covered dependent child which has resulted in a functional defect;
7. Loss resulting from air travel, except as a fare-paying passenger on a commercial airline;
8. Injury or Sickness resulting from any declared or undeclared war;
9. Injury or Sickness while in the armed forces of any country. When an Insured enters such armed forces, we will refund the unearned pro rata premium to the Insured;
10. Injury or Sickness for which benefits are actually paid under any workers' compensation or occupational disease law;
11. Treatment provided in a governmental Hospital unless the Insured is legally obligated to pay such charges;
12. Infections except pyogenic or bacterial infections caused wholly be a covered Injury or Sickness;
13. Hernia, unless it results from a covered Injury;
14. The Insured's being intoxicated or under the influence of any narcotic unless administered on the advice of a Physician;
15. Claims occuring while parachuting or hang-gliding; or Injury sustained while traveling in or on any two or three-wheeled motor vehicle operated by a person who does not hold a valid operator's license;
16. Pre-existing Conditions as defined in Section 2, Definitions.

Service Address:
Markel Insurance Company
P. O. Box 3870
Glen Allen, VA 23058-3870
(800) 431-1270

MSR100SC (1/98)

Markel Insurance Company

POLICY NUMBER: CCH20011712-01 Evanston, Illinois 60201

(A stock Insurance Company, Herein Called the Company)

AGREES with the Policyholder, named below in consideration of the payment of the premium and subject to the Limits of liability, exclusions, conditions and other terms of the policy:
TO PAY the benefits described in Items 4, Coverage.

83820
Markel Service Incorporated
4501 Highwoods Pkwy, Suite 200
Glen Allen, VA 23060

SECTION 1 SCHEDULE

1. Name of Policyholder: The Learning Station CDC, LLC DBA: The Learning Station
   Address: 690 Singleton Ridge Road, Conway, SC 29526
2. Policy Period From: 4/17/14 to 4/17/15 at 12:01 A.M. StandardTime at your mailing address shown above.
3. Class of Insured Persons: All registered students for whom premium has been paid.

Description of Hazards Covered:

Insured persons are covered for injury resulting from an Accident which occurs directly from 1) activities that are scheduled, sponsored or supervised by the policyholder; 2) premises owned, leased or borrowed by the policyholder; or 3) travel scheduled, sponsored or supervised by the policyholder.

4. Coverage

THE POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS AND RIDERS. THE BENEFIT AMOUNT SHOWN IS THE LIMIT SELECTED BY THE POLICYHOLDER. IF THE COVERAGE WAS NOT REQUESTED BY THE POLICYHOLDER, THAT IS INDICATED BY THE WORD NIL. THE PREMIUM FOR EACH COVERAGE IS ALSO SHOWN AS IS THE TOTAL PREMIUM AT THE BOTTM OF THE SCHEDULE.

COVERAGE	BENEFIT AMOUNT	PREMIUM
AGGREGATE LIMIT OF INDEMNITY	$250,000	INCL.
ACCIDENT MEDICAL EXPENSE BENEFIT		INCL.
DEDUCTIBLE AMOUNT	$0	
COINSURANCE PERCENTAGE	100%	
BENEFIT PERIOD	52 Weeks	
AGGREGATE MAXIMUM	$35,000	
ACCIDENTAL DEATH AND DISMEMBERMENT		INCL.
BENEFITS PRINCIPAL SUM	$10,000	
SICKNESS MEDICAL EXPENSE BENEFIT		N/A
DEDUCTIBLE AMOUNT	NIL	
COINSURANCE PERCENTAGE	NIL	
BENEFIT PERIOD	NIL	
AGGREGATE MAXIMUM	NIL	
CATASTROPHIC INJURY BENEFIT		INCL
BENEFIT MAXIMUM	$50,000	
MONTHLY INSTALLMENT	NIL	
TOTAL TEMPORARY DISABILITY BENEFIT		N/A
BENEFITS COMMENCE WITH THE	NIL DAY	
RATE PER WEEK	NIL	
PERCENT OF BASIC EARNINGS	NIL	
MAXIMUM PERIOD	NIL WEEKS	
	TOTAL:	$538.00

5. Form(s) and endorsement(s) made a part of the policy at the time of issue.

See Schedule of Forms And Endorsements

Countersigned by _____
Licensed Resident Agent

MSR101
(1/95)

BLANKET ACCIDENT AND HEALTH POLICY

POLICY NUMBER CCH20011712-01

Markel Insurance Company
Schedule Of Forms And Endorsements

FORM NUMBER	FORM NAME
MSR100-SC (1/98)	Blanket Accident And Health Policy Special Risk
MSR 101 (1/95)	Schedule Of Insurance
MSR 122-SC (1/98)	Catastrophic Injury Benefit
MSR 128 (01/04)	2004 Accident Definition
MSR 128-AD (3/96)	Address Changed
MSR 128bp	Benefit Period

Markel Insurance Company

CATASTROPHIC INJURY BENEFIT

When as the result of injury, the Insured Person is Disabled by Paralysis or Coma, we will pay the benefit shown below. The Paralysis or Coma must begin within 90 days of the date of accident and continue for a period of 6 months in a row. The Paralysis or Coma must be diagnosed by the attending Physician, and be medically determined to be permanent and irrecoverable at the end of this waiting period.

The following table shows the amounts we will pay:

1. Coma 100%

2. Paralysis:
   Loss of:
   Both upper and lower limbs 100%
   Both lower limbs 100%
   One lower limb and One upper limb 100%
   One lower limb or One upper limb 50%

Paralytic conditions not stated above will be paid in proportion to comparable severity to those stated under the Schedule.

The Benefit shall be payable for Paralysis or Coma in equal monthly installments for Life, not to exceed the Catastrophic Injury Benefit Maximum, provided the Insured Person continues to be Disabled. Payments begin after 7 months of continuous Disability.

The Catastrophic Injury Benefit Maximum and the Monthly Installment Maximum are shown in Section 1.

The most we will pay for all Losses to an Insured Person as the result of one Accident, is the Catastrophic Injury Benefits Maximum shown in Section 1.

ADDITIONAL DEFINITIONS

Coma: A profound state of unconsciousness from which the Insured Person, through powerful stimulation, cannot be aroused.

Disability: An Insured Person's inability, while under the regular care of a Physician, during the first year a person is unable to engage in his/her occupation and after this he/she is unable to engage in any occupation for which he/she is qualified by reason of education, training, or experience.

Paralysis: Complete inability to move one or more limbs as a result of neurological damage.

This rider is attached to and becomes a part of the Policy.

Britt L. [illegible] — President

Edgar W. Shoeke[illegible] — Secretary

MSR122-SC (1/98)

Markel Insurance Company

Endorsement No. 0

For the premium charged and paid it is agreed that:

MSR100, SECTION 2, DEFINITIONS:

ADD: Accident means a sudden, unexpected and unintended event which is identifiable and caused solely by an external physical force resulting in Injury to an Insured person. Accident does not include a Loss due to or contributed to by disease or Sickness.

This rider is attached to and becomes a part of this Policy.

Nothing herein contained shall be held to vary, alter, waive or extend any of the Agreements, Conditions, Declarations, Exclusions, Limitations or Terms of the undermentioned Policy other than as stated hereon.

Effective date _____ Attached to and forming part of Policy No. _____

of _____

issued to _____

President

Secretary

MSR128 (01/04)

Markel Insurance Company

Endorsement No. 0

Markel Insurance Company's address is hereby changed to:

Markel Insurance Company
Ten Parkway North
Deerfield, Illinois 60015

Nothing herein contained shall be held to vary, alter, waive or extend any of the Agreements, Conditions, Declarations, Exclusions, Limitations or Terms of the undermentioned Policy other than as stated hereon.

Effective date _____ Attached to and forming part of Policy No. _____

of _____

issued to _____

President

Secretary

MSR128-AD (3/96)

Markel Insurance Company

Endorsement No. 0

It is hereby understood and agreed:

SECTION 2, DEFINITIONS:

"Benefit Period" means the time during which an Insured Person's incurred expense for a covered injury or sickness is eligible for reimbursement. The "Benefit Period" selected starts on the date of the accident for an injury or the date of the first treatment for a sickness.

Nothing herein contained shall be held to vary, alter, waive or extend any of the Agreements, Conditions, Declarations, Exclusions, Limitations or Terms of the undermentioned Policy other than as stated hereon.

Effective date _____ Attached to and forming part of Policy No. _____

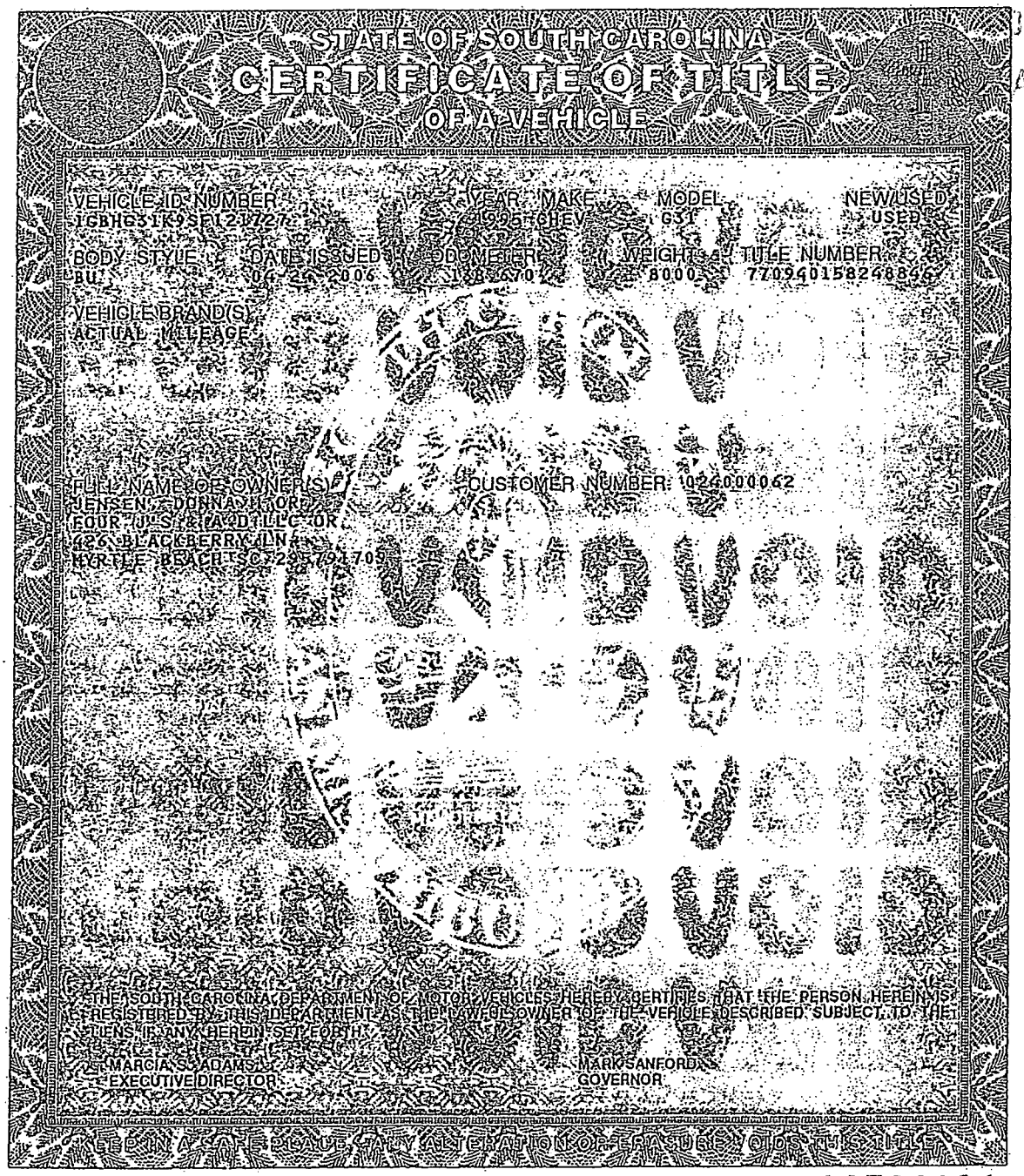
of _____

Issued to _____

President

Secretary

MSR128bp



STATE OF SOUTH CAROLINA

CERTIFICATE OF TITLE

OF A VEHICLE

VEHICLE ID NUMBER	YEAR	MAKE	MODEL	NEW/USED
1GBHG31K9S1121727	1995	CHEV	G31	USED

BODY STYLE	DATE ISSUED	ODOMETER	WEIGHT	TITLE NUMBER
BU	04-25-2006	138,670	8000	770940158248846

VEHICLE BRAND(S)

ACTUAL MILEAGE

FULL NAME OF OWNER(S)

JENSEN, DONNA H, OR

FOUR J'S & A D I L L C, OR

426 BLACKBERRY LN

MYRTLE BEACH SC 29579 1705

CUSTOMER NUMBER: 0240000062

THE SOUTH CAROLINA DEPARTMENT OF MOTOR VEHICLES HEREBY CERTIFIES THAT THE PERSON HEREIN IS REGISTERED BY THIS DEPARTMENT AS THE LAWFUL OWNER OF THE VEHICLE DESCRIBED, SUBJECT TO THE LIENS, IF ANY, HEREIN SET FORTH.

MARCIA S. ADAMS
EXECUTIVE DIRECTOR

MARK SANFORD
GOVERNOR

KEEP IN A SAFE PLACE. ANY ALTERATION OF ANY ITEM VOIDS THIS TITLE.

036798134

RECEIVED
OCT 25 2016
SC Court of Appeals

IN THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM HORRY COUNTY
Court of Common Pleas

Diane Schafer Goodstein, Circuit Court Judge

Case No. 2015-002095
Appellate Case No. 2015-002095

Donna Jensen .....Appellant,

v.

Matthew B. Wiseman and Peoples Underwriters, Inc. .....Respondents.

CERTIFICATE OF COUNSEL

We hereby certify that the Record on Appeal contains all materials designated to be included by any of the parties and not any other material.

Mary Madison Brittain Langway, Esquire
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