



**Report Claims Immediately by Calling\***  
**1-800-238-6225**

*Speak directly with a claim professional  
24 hours a day, 365 days a year*

\*Unless Your Policy Requires **Written** Notice or Reporting

---

## **CONDOMINIUM PAC**

---

CONDO - 5-12 UNITS PER FIRE DIVISION



**A Custom Insurance Policy Prepared for:**

OHIO PLACE CONDOMINIUM  
ASSOCIATION  
C/O CEOSD.NET  
P.O. BOX 34398-708  
SAN DIEGO CA 92163-4398

**Presented by: ALCOTT INSURANCE AGENCY**



RENEWAL CERTIFICATE

COMMON POLICY DECLARATIONS
CONDOMINIUM PAC
BUSINESS: CONDO - 5-12 UN

POLICY NO.: 680-9001B711-21-42
ISSUE DATE: 05/17/2021

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

1. NAMED INSURED AND MAILING ADDRESS:

OHIO PLACE CONDOMINIUM
ASSOCIATION
C/O CEOSD.NET
P.O. BOX 34398-708
SAN DIEGO CA 92163-4398

2. POLICY PERIOD: From 07/01/2021 to 07/01/2022 12:01 A.M. Standard Time at your mailing address.

3. LOCATIONS:

Table with 4 columns: PREM. NO., BLDG. NO., OCCUPANCY, ADDRESS (same as Mailing Address unless specified otherwise). Row 1: 001, 001, CONDO 5-12, 4565 OHIO ST, SAN DIEGO, CA 92116

4. COVERAGE PARTS AND SUPPLEMENTS FORMING PART OF THIS POLICY AND INSURING COMPANIES

Table with 2 columns: COVERAGE PARTS AND SUPPLEMENTS, INSURING COMPANY. Rows: Businessowners Coverage Part (TCT), Directors & Officers Coverage Supplement (TCT)

5. The COMPLETE POLICY consists of this declarations and all other declarations, and the forms and endorsements for which symbol numbers are attached on a separate listing.

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions.

Table with 3 columns: POLICY, POLICY NUMBER, INSURING COMPANY

DIRECT BILL

7. PREMIUM SUMMARY:

Table with 2 columns: Description, Amount. Rows: Provisional Premium \$ 4,659.00, Due at Inception \$, Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER

ALCOTT INSURANCE AGENCY XW818
3945 IDAHO ST

SAN DIEGO CA 92104

COUNTERSIGNED BY:

Authorized Representative

DATE: 05/17/2021



**BUSINESSOWNERS COVERAGE PART DECLARATIONS**

CONDOMINIUM PAC

POLICY NO.: 680-9001B711-21-42

ISSUE DATE: 05/17/2021

**INSURING COMPANY:**

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

**POLICY PERIOD:**

From 07-01-21 to 07-01-22 12:01 A.M. Standard Time at your mailing address

**FORM OF BUSINESS:** CORPORATION

**COVERAGES AND LIMITS OF INSURANCE:** Insurance applies only to an item for which a "limit" or the word "included" is shown.

**COMMERCIAL GENERAL LIABILITY COVERAGE**

OCCURRENCE FORM	LIMITS OF INSURANCE	
General Aggregate (except Products-Completed Operations Limit)	\$	2,000,000
Products-completed Operations Aggregate Limit	\$	2,000,000
Personal and Advertising Injury Limit	\$	1,000,000
Each Occurrence Limit	\$	1,000,000
Damage to Premises Rented to You	\$	300,000
Medical Payments Limit (any one person)	\$	5,000

**BUSINESSOWNERS PROPERTY COVERAGE**

**DEDUCTIBLE AMOUNT:** Businessowners Property Coverage: \$ 1,000 per occurrence.  
 Building Glass: \$ 1,000 per occurrence.

**BUSINESS INCOME/EXTRA EXPENSE LIMIT:** Actual loss for 12 consecutive months

**Period of Restoration-Time Period:** Immediately

**ADDITIONAL COVERAGE:**

Fine Arts: \$ 25,000

Other additional coverages apply and may be changed by an endorsement. Please read the policy.



**SPECIAL PROVISIONS:**

**COMMERCIAL GENERAL LIABILITY COVERAGE  
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

BUSINESSOWNERS PROPERTY COVERAGE

PREMISES LOCATION NO.: 001

BUILDING NO. : 001

COVERAGE	LIMIT OF INSURANCE	VALUATION	COINSURANCE	INFLATION GUARD
BUILDING	\$ 1,364,091	RC*	N/A	0.0%
*Replacement Cost				
BUSINESS PERSONAL PROPERTY	\$ 90,057	RC*	N/A	0.0%
*Replacement Cost				
COVERAGE EXTENSIONS:				
Accounts Receivable	\$ 25,000			
Valuable Papers	\$ 25,000			

Other coverage extensions apply and may be changed by an endorsement. Please read the policy.

POLICY NUMBER: 680-9001B711-21-42

EFFECTIVE DATE: 07/01/2021

ISSUE DATE: 05/17/2021

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS

\* IL T0 25 08 01 RENEWAL CERTIFICATE  
\* MP T0 01 02 05 BUSINESSOWNERS COVERAGE PART DECLARATIONS  
\* IL T8 01 01 01 FORMS ENDORSEMENTS AND SCHEDULE NUMBERS  
IL T3 15 09 07 COMMON POLICY CONDITIONS

BUSINESSOWNERS

MP T1 30 02 05 TABLE OF CONTENTS - BUSINESSOWNERS COVERAGE PART - DELUXE PLAN  
MP T1 02 02 05 BUSINESSOWNERS PROPERTY COVERAGE SPECIAL FORM  
MP T1 03 02 05 AMENDATORY PROVISIONS CONDOMINIUM ASSOCIATION COVERAGE  
CP 02 99 11 85 CANCELLATION CHANGES  
MP T3 93 11 18 COMPUTER FRAUD AND FUNDS TRANSFER FRAUD  
MP T4 89 08 06 FUNGUS, ROT, BACTERIA AND OTHER CAUSES OF LOSS CHANGES - CALIFORNIA  
\* MP T3 06 02 07 SEWER OR DRAIN BACK UP EXTENSION  
\* MP T3 25 01 21 FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE  
MP T3 50 11 06 EQUIPMENT BREAKDOWN - SERVICE INTERRUPTION LIMITATION  
MP T3 56 02 08 AMENDATORY PROVISIONS - GREEN BUILDING AND BUSINESS PERSONAL PROP COV ENHANCEMENTS  
\* MP T1 71 04 09 BUILDING OWNERS ENDORSEMENT  
\* IL F1 43 02 20 WILDFIRE DEFENSE SERVICES  
\* PN U3 70 02 20 IMPORTANT NOTICE - WILDFIRE DEFENSE SERVICES  
MP T4 90 05 10 LIMIT OF INS/OCCURRENCE ENDT - CALIFORNIA  
\* MP T5 08 02 20 CALIFORNIA CHANGES

COMMERCIAL GENERAL LIABILITY

CG T0 34 02 19 TABLE OF CONTENTS - COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19  
CG T1 00 02 19 COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
\* GN 00 92 01 91 DIRECTORS AND OFFICERS LIABILITY OWNERS ASSOCIATION CLAIMS MADE FORM  
CG D2 37 02 19 EXCLUSION - REAL ESTATE DEVELOPMENT ACTIVITIES - COMPLETED OPERATIONS  
CG D3 09 02 19 AMENDATORY ENDORSEMENT - PRODUCTS-COMPLETED OPERATIONS HAZARD  
CG D2 03 12 97 AMEND - NON CUMULATION OF EACH OCC  
\* MP T1 25 11 03 HIRED AUTO AND NON-OWNED AUTO LIABILITY  
CG D2 43 01 02 FUNGI OR BACTERIA EXCLUSION  
CG D4 21 07 08 AMEND CONTRAL LIAB EXCL - EXC TO NAMED INS  
CG D6 18 10 11 EXCLUSION - VIOLATION OF CONSUMER FINANCIAL PROTECTION LAWS

\* TEXT IN THIS FORM HAS CHANGED, OR THE FORM WAS NOT ON POLICY BEFORE.

**POLICY NUMBER: 680-9001B711-21-42**

**EFFECTIVE DATE: 07/01/2021**

**ISSUE DATE: 05/17/2021**

**COMMERCIAL GENERAL LIABILITY (CONTINUED)**

CG D0 76 06 93      EXCLUSION - LEAD  
CG D1 42 02 19      EXCLUSION - DISCRIMINATION

**MULTIPLE SUBLINE ENDORSEMENTS**

CG T3 33 11 03      LIMITATION WHEN TWO OR MORE POLICIES APPLY

**INTERLINE ENDORSEMENTS**

IL T4 12 03 15      AMNDT COMMON POLICY COND-PROHIBITED COVG  
\* IL T4 14 01 21      CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM  
\* IL T4 40 10 20      PROTECTION OF PROPERTY  
IL T3 82 05 13      EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA  
IL 00 21 09 08      NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD  
FORM)  
\* IL 01 04 07 20      CALIFORNIA CHANGES  
\* IL 02 70 07 20      CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

**POLICY HOLDER NOTICES**

\* PN T4 54 01 08      IMPORTANT NOTICE REGARDING INDEPENDENT AGENT AND  
BROKER COMPENSATION  
PN MP 38 01 11      IMPORTANT NOTICE - JURISDICTIONAL INSPECTIONS

\* TEXT IN THIS FORM HAS CHANGED, OR THE FORM WAS NOT ON POLICY BEFORE.





**TRAVELERS PROPERTY**





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

## **FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE PART**

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 4% of your total Businessowners Coverage Part premium if your primary location is in a Designated City (as listed below).
- 2% of your total Businessowners Coverage Part premium if your primary location is not in a Designated City (as listed below).

<b>Designated Cities are</b>			
Albuquerque, NM	El Paso, TX	Miami, FL	San Antonio, TX
Atlanta, GA	Fort Worth, TX	Milwaukee, WI	San Diego, CA
Austin, TX	Fresno, CA	Minneapolis, MN	San Francisco, CA
Baltimore, MD	Honolulu, HI	Nashville-Davidson, TN	San Jose, CA
Boston, MA	Houston, TX	New Orleans, LA	Seattle, WA
Charlotte, NC	Indianapolis, IN	New York, NY	St. Louis, MO
Chicago, IL	Jacksonville, FL	Oakland, CA	Tucson, AZ
Cleveland, OH	Kansas City, MO	Oklahoma City, OK	Tulsa, OK
Colorado Springs, CO	Las Vegas, NV	Omaha, NE	Virginia Beach, VA
Columbus, OH	Long Beach, CA	Philadelphia, PA	Washington, DC
Dallas, TX	Los Angeles, CA	Phoenix, AZ	Wichita, KS
Denver, CO	Memphis, TN	Portland, OR	
Detroit, MI	Mesa, AZ	Sacramento, CA	

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

## BUILDING OWNERS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS PROPERTY COVERAGE SPECIAL FORM

### SCHEDULE

Prem. Loc. No.	Bldg. No.	Prem. Loc. No.	Bldg. No.	Prem. Loc. No.	Bldg. No.	Prem. Loc. No.	Bldg. No.	Prem. Loc. No.	Bldg. No.
001	001								

Schedule of Limits of Insurance under Paragraph A.2. of this endorsement:

- \$ 100,000 in any one occurrence at each described premises
- \$ 250,000 in any one occurrence regardless of the number of described premises involved

A. The BUSINESSOWNERS PROPERTY COVERAGE SPECIAL FORM is changed as follows:

1. The limit applicable to the **Additional Coverage – Debris Removal**, as referenced in Paragraph A.6.c.(4), is increased from \$25,000 to \$50,000.
2. Paragraph A.6.k.(6) is replaced by the following:
  - (6) The most we will pay for loss under this Additional Coverage for the total of all coverages described in Paragraph (1) above in any one occurrence is the amount shown in the above Schedule, at each described premises. But, we will not pay more than the amount shown in the above Schedule, in any one occurrence regardless of the number of described premises involved.
3. The following **Additional Coverages** are added:
  - a. **Lessor's Leasehold Interest**
    - (1) We will pay for the cost of Covered Leasehold Interest you sustain due to the cancellation of lease contracts by your tenants. The cancellation must result from direct physical loss of or damage to your Covered Property at

the premises described in the Schedule above caused by or resulting from a Covered Cause of Loss during the term of the policy.

(2) Covered Leasehold Interest:

(a) Means the difference between the:

- (i) Rent you were collecting at the described premises prior to the loss; and
- (ii) "Rental Value" of the described premises after loss or damage has been repaired or rebuilt; and

(b) Does not mean refunds or rebates of:

- (i) Prepaid rent;
- (ii) Security or other deposits made by your tenants; or
- (iii) Insurance, taxes or other payments made on your behalf by tenants.

(3) The most we will pay under this Additional Coverage is the smallest of:

(a) Your Covered Leasehold Interest for the 12 months immediately



following the "Period of Restoration" plus the 60 days of Extended Business Income but ending with the normal expiration date of each cancelled lease; or

- (b) \$25,000 for all Covered Leasehold Interest of all your tenants canceling their leases arising out of an occurrence at a described premises.

**b. Tenant Move Back Expenses**

- (1) We will reimburse you for expenses you pay for Covered Move Back Costs of your tenants who temporarily vacate a portion of the building at the premises described in the Schedule above. The vacancy must have occurred while the portion of the building rented by your tenant could not be occupied due to direct physical loss of or damage to your Covered Property caused by or resulting from a Covered Cause of Loss during the term of the policy. The move back must take place within 60 days after the portion of the building rented by your tenant has been repaired or rebuilt and is ready for occupancy.
- (2) Covered Move Back Costs means only documented, reasonable and necessary costs of:
  - (a) Packing, insuring and transporting business personal property;
  - (b) Re-establishing electric utility and communication services, less refunds from discontinued services;
  - (c) Assembling and setting up fixtures and equipment; or

(d) Unpacking and reshelving stock and supplies.

- (3) If your tenants have valid and collectible insurance for Covered Move Back Costs, we will pay only for the amount of Covered Move Back Costs in excess of the amount payable from such other insurance.
- (4) The most we will pay under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of an occurrence at a described premises.

**c. Utility Services – Direct Damage**

- (1) We will pay for loss of or damage to Covered Property caused by the interruption of services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:
    - (a) "Water Supply Services";
    - (b) "Communication Supply Services"; or
    - (c) "Power Supply Services".
  - (2) The most we will pay for loss or damage under this Additional Coverage in any one occurrence is \$10,000 at each described premises.
  - (3) Payments under this Additional Coverage are subject to and not in addition to the applicable Limit of Insurance.
4. The limit applicable to the **Coverage Extension – Ordinance or Law – Increased "Period of Restoration"** is increased by \$50,000.



---

## IMPORTANT NOTICE – WILDFIRE DEFENSE SERVICES

---

Your Travelers policy offers an important benefit, Wildfire Defense Services, at no additional cost to you. As outlined in the endorsement, IL F1 43, a service provider is authorized to access your property and perform services as described both in the endorsement and below. If you do not wish to receive this important benefit, you may opt out by contacting us at the number listed below.

### **What are Wildfire Defense Services?**

A wildfire defense service provider may perform services, to protect your property against the threat of wildfire. Services may include:

- Brush Removal;
- Fuel Source Mitigation;
- Application of vent tape;
- Application of fire blocking gel and fire retardant; or
- Closing of structure openings.

### **When are Wildfire Defense Services provided?**

A wildfire defense service provider will determine whether or not to access your property to provide these services if it is in imminent threat of loss by wildfire. Many factors such as safety conditions, weather conditions, resource availability and proximity to the fire are factored into the wildfire defense service provider's decision to provide these services.

### **Who provides these Wildfire Defense Services?**

We have contracted with a service provider who has trained fire personnel to provide these services. These services are supplemental to all other public first responders and are not first responder services.

### **Anything else I should know?**

There are no guarantees that these services will be provided or, if these services are provided, that the services will prevent damage to your property.

We have the right to modify or discontinue the services provided under Wildfire Defense Services without notice to you.

### **For more information**

- Review the endorsement, Wildfire Defense Services, IL F1 43
- Visit [www.travelers.com/WildfireDefense](http://www.travelers.com/WildfireDefense)
- Contact your agent or Travelers representative with any questions
- To opt out of this benefit, call the Travelers Business Insurance Service Center at 1-833-903-2379 Monday through Friday, 9am to 5pm PST

### **Thank you for choosing Travelers to help you protect what matters.**

This Notice provides general information. Please review your policy. In case of any conflict between this general Notice and the terms of your Policy, your Policy will govern.



## BUSINESSOWNERS

Nothing in this Paragraph (b) constitutes a waiver of our right to deny the claim for any valid reason or to restrict payment in cases of suspected fraud.

3. Paragraph E.4.e.(7) under **Loss Payment – Building and Personal Property** is replaced by the following:

(7) **Tenants' Improvements and Betterments** at:

(a) Replacement cost in accordance with the terms set forth in Paragraph (1)(b) above.

(b) A proportion of your original cost if the property is not repaired or replaced. We will determine the proportionate value as follows:

(i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(ii) Divide the amount determined in (i) 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.

(c) Nothing if others pay for repairs or replacement.







**GENERAL LIABILITY**

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

## DIRECTORS AND OFFICERS LIABILITY OWNERS ASSOCIATION CLAIMS MADE FORM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

**ENDORSEMENT PERIOD** – The endorsement period is the same as the policy period of the General Liability coverage afforded by this policy. If this Directors and Officers Liability coverage has been added during the policy period, the effective date of coverage is as stated in the policy change endorsement accompanying this endorsement.

### LIMITS OF INSURANCE

Aggregate \$ 2,000,000  
Each Wrongful Act \$ 2,000,000  
Retained Limit \$ N/A

None of the terms of the Coverage Part to which this endorsement is attached apply to the insurance provided by this endorsement, except for the **COMMON POLICY CONDITIONS**.

### A. INSURING AGREEMENT

1. We will reimburse you for "loss," in excess of the Retained Limit shown in the Schedule above, which you become legally obligated to pay due to any civil claim(s):
  - a. made against your "Directors" or "Officers"; and
  - b. caused by a "wrongful act."
2. We will pay, in excess of the Retained Limit shown in the Schedule above, for loss" which an "insured" becomes legally obligated to pay due to any civil claim(s):
  - a. made against the "insured"; and
  - b. caused by a "wrongful act."
3. This insurance applies only if a claim for "loss" is first made against any "insured" during the endorsement period.
  - a. A claim for "loss" by a person or organization will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first.
  - b. All claims for "loss" due to the same "wrongful act" or interrelated acts will be deemed to have been made at the time

the first of those claims is made against any "insured."

- c. Written notice given by the "insured" during the endorsement period of a "wrongful act" which may result in a claim will be considered notice of a claim made against the "insured" during the endorsement period.

4. The amount we will pay for "loss" is limited as described in Section C. **LIMITS OF INSURANCE**.

### B. EXCLUSIONS

1. This insurance does not apply to any claim:
  - a. for which you or an "insured" are entitled to reimbursement and/or payment by another insurer because:
    - (1) the other insurer provided a policy or policies which expired prior to the effective date of this endorsement; and
    - (2) notice was given to the other insurer of a circumstance which might give rise to a claim under their policy.
  - b. for "bodily injury," "property damage," "personal injury" or "advertising injury."
  - c. for an accounting of profits or losses made from the purchase or sale of securities.
  - d. for salary, compensation or bonuses or other remuneration voted to "Officers" or



## COMMERCIAL GENERAL LIABILITY

"Directors" by your Board of Directors or Board of Governors.

- e. for anything other than money damages.
- f. due to any negligent act, error, omission, or failure or breach of duty:
  - (1) in effecting and maintaining insurance; or
  - (2) with respect to amount, form, conditions or provisions of insurance.
- g. due to an "insured" gaining any personal profit or remuneration or advantage to which the "insured" is not legally entitled.
- h. under Insuring Agreement A.2. above, for any "loss" for which an "insured" will be indemnified by you, pursuant to the operation of the law, or as otherwise authorized by your charter or by-laws which determine and define such rights of indemnity.
- i. if judgement adverse to your "Directors" or "Officers," in "suit" brought against them, will establish that their affirmative dishonesty or actual intent to deceive or defraud was material to the cause of action so adjudicated.
- j. due to discrimination on account of race, religion, sex or age, or in any way connected with a violation of any state or federal civil rights law.
- k. based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving, actual or alleged seepage, pollution or contamination of any kind;
- l. based on any actual or alleged violations of the Employee Retirement Income Security Act of 1974 or any regulations promulgated thereunder, or of any similar provisions of any federal, state or local law or regulation;
- m. for "loss" due to or arising out of nuclear reaction, nuclear radiation or radioactive contamination, or to any act or condition incident to any of the foregoing.

### C. LIMITS OF INSURANCE

The Limit of Insurance stated below as:

1. Aggregate is the most we will pay for "loss" for all claims under this endorsement;

2. Each Wrongful Act is the most we will pay, subject to C.1. above, in excess of the Retained Limit shown in the schedule, for "loss" due to claims arising out of any one "wrongful act" of one or more of the "insureds." The Retained Limit shall be borne by the "insured" at its own risk and uninsured. All claims arising from the same act or acts or interrelated acts of one or more of the "Directors" or "Officers" are considered as arising out of one "wrongful act."

### D. CONDITIONS

#### 1. Concealment or Misrepresentation.

This endorsement is void if you or an "insured" has concealed or misrepresented:

- a. any material fact of or circumstance concerning this insurance; or
- b. in the case of fraud or false swearing by you or an "insured," any matter relating to this insurance; whether before or after a "loss."

#### 2. Notice Of Claim Or Circumstances

- a. If during the endorsement period you become aware of any circumstances which may result in a claim against any "insured," you must send us written notice of such circumstances with full particulars of the "wrongful act" as soon as practicable.
- b. If during the endorsement period a claim is received by any "insured," you must immediately record the specifics of the claim and date received, and send us written notice of the claim as soon as practicable.

#### 3. Defense of Claims: Cooperation

We will not be called to assume charge of the settlement or defense of any claim or "suit" brought or proceeding instituted against you or any "insured." We will have the right and be given the opportunity to be involved, at our own expense, in the defense of any claim or "suit." In that event, you and any "insured" will cooperate with us in all things in the defense of the claim. You and any "insured" will not, except at your own cost, voluntarily make a payment, assume any obligation or incur any "defense expenses" without our consent, which will not be unreasonably withheld.

**4. Appeals.**

If you or an "insured" elect not to appeal a judgment in excess of the Retained Limit, we may elect to appeal the judgment at our own expense and be liable for the taxable costs and disbursements and interest. In no event will our liability exceed the limits shown in the Schedule above and the additional expenses of the appeal.

**5. Loss Payable.**

Recovery under this endorsement will not be made until your liability or an "insured's" liability has been:

- a. rendered fixed and certain by final judgment; or
- b. admitted by us in writing.

The recovery will not be made unless proof of claim is made to us within 90 days after the final judgment or admission.

**6. Legal Action Against Us.**

No person or organization has a right under this endorsement:

- a. to join us as a party or otherwise bring us into a "suit" asking for damages from you or an "insured"; or
- b. to sue us on this endorsement unless all of its terms have been fully complied with.

**7. Bankruptcy.**

Bankruptcy or insolvency of you or an "insured" or of your or an "insured's" estate will not relieve us of our obligations under this endorsement.

**8. Transfer of Rights of Recovery Against Others to Us.**

If you or an "insured" has rights to recover all or part of any payment we have made under this endorsement, those rights are transferred to us. You or an "insured" must do nothing after "loss" to impair them. At our request, you or an "insured" will bring "suit" or transfer those rights to us and help us enforce them.

Any amount recovered as a result of such proceedings will be apportioned as follows:

- a. We will be first reimbursed to the extent of our actual payment. Any remaining

balance will be applied to reimburse you or any "insured."

- b. The expense of all proceedings necessary to the recovery of any such amount will be apportioned between you (and any "insured") and us in the ratio of the respective recoveries as finally settled. If there should be no recovery in proceedings instituted solely by us, we will bear all expenses.

**9. Extended Reporting Period.**

If this endorsement is cancelled for any reason other than nonpayment of premium, or is not renewed, we will provide an Extended Reporting Period consisting of the 12 months immediately following the date of cancellation or nonrenewal.

This Extended Reporting Period does not extend the endorsement period. It applies only to claims first made within the reporting period for "wrongful acts" committed prior to the date of cancellations or nonrenewal. This Extended Reporting Period applies only if no subsequent insurance you purchase applies to the claim, or would apply but for the exhaustion of its applicable limit of insurance.

**10. Exhaustion.**

If the Limit of Insurance is exhausted by the payment of "loss," including "defense expenses," our obligations under this endorsement shall be completely fulfilled and extinguished, and we shall have no further obligations of any kind or nature whatsoever under this endorsement.

**11. Authorization Clause.**

By acceptance of this policy, you agree to act on behalf of all "insured's" with respect to the giving and receiving of notice of claim or termination, the payment of premiums and the receiving of any return premiums that may become due under this endorsement, the acceptance of endorsements, and the giving or receiving of any other notice provided for in this endorsement and the "insureds" agree that you shall act on their behalf.

**E. DEFINITIONS**

- 1. "Advertising injury" means injury arising out of one or more of the following offenses:



## COMMERCIAL GENERAL LIABILITY

- 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. "Bodily Injury" means bodily injury, sickness, mental anguish, emotional distress, or disease sustained by a person, including death resulting from any of these at any time.
  3. "Defense Expenses" means reasonable and necessary legal fees and expenses incurred in defense of claims or "suits," provided, however, "defense expenses" shall not include salaries, wages, overhead or benefit expenses associated with "Directors," "Officers" or your employees or any amounts incurred in defense of any claim or "suit" where any insurer has a duty to defend.
  4. "Directors" means all of your directors or members of your Board of Governors or Directors or Trustees.
  5. "Insured" means any person who has been, now is, or shall become an "Officer" or "Director." It also includes the estate, heirs, or legal representatives of an "Officer" or "Director" who dies or becomes incompetent.
  6. "Loss" means adjudicated damages, settlements and "defense expenses"; provided, however, that "loss" shall not include:
    - (1) punitive or exemplary damages,
    - (2) criminal or civil fines or penalties imposed by law,
    - (3) taxes, or
    - (4) matters which are uninsurable under the law pursuant to which this endorsement shall be construed;
  7. "Officers" means the holders of the titles or positions specified by your charter or by-laws. "Officers" also means employees, committee members or any other person acting on the behalf of or at the direction of the Board of Directors or an "Officer."
8. "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. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
    - 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.
  9. "Property damage" means:
    - a. Physical injury to tangible property, including all resulting loss of use of that property; or
    - b. Loss of use of tangible property that is not physically injured.
  10. "Suit" means a civil proceeding in which damages to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
  11. "Wrongful act" means any or all of the following:
    - a. actual or alleged errors;
    - b. misstatement or misleading statement;
    - c. act or omission; or
    - d. neglect or breach of duty;by the "Directors" or "Officers" while acting in their capacity as such. All such causally connected errors, statements, acts, omissions, neglects or breaches of duty by one or more of the "insureds" shall be deemed to be inter-related "wrongful acts."

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

## HIRED AUTO AND NONOWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

### SCHEDULE

Insurance is provided only with respect to those coverages for which a specific premium charge is shown:

COVERAGE	ADDITIONAL PREMIUM
Hired Auto Liability	\$
Nonowned Auto Liability	\$ INCLUDED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

### PROVISIONS

#### A. COVERAGE

If a premium charge is shown in the SCHEDULE above, the insurance provided under **Section I – Coverage A – Bodily Injury And Property Damage Liability** applies to "bodily injury" and "property damage" arising out of the maintenance or use of a "hired auto" or "nonowned auto". Maintenance or use of a "nonowned auto" includes test driving in connection with an "auto business".

#### B. EXCLUSIONS

With respect to the insurance provided by this endorsement:

1. The exclusions, under **Section I – Coverage A – Bodily Injury And Property Damage Liability**, other than exclusions a., b., d., e., f. and i. and the Nuclear Energy Liability Exclusion (Broad Form) are deleted and replaced by the following:

- a. "Bodily injury" to:
  - (1) Any fellow "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.
- b. "Property damage" to:
  - (1) Property owned or being transported by, or rented or loaned to the insured; or
  - (2) Property in the care, custody or control of the insured.

#### C. WHO IS AN INSURED

**Section II – Who Is An Insured** is replaced by the following:

Each of the following is an insured under this insurance to the extent set forth below:

- 1. You;
- 2. Anyone else including any partner or "executive officer" of yours while using with your permission a "hired auto" or a "nonowned auto" except:
  - a. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner or lessee of a "nonowned auto" or any agent or "employee" of any such owner or lessee;
  - b. Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household;
  - c. Your "employee" if the covered "auto" is leased, hired or rented by him or her or a member of his or her household under a lease or rental agreement for a period of 180 days or more;
  - d. Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;
  - e. Any partner or "executive officer" with respect to any "auto" leased or rented to such partner or officer or a member of his or her household under a lease or rental agreement for a period of 180 days or more;

## COMMERCIAL GENERAL LIABILITY

- f. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
  - g. Anyone other than your "employees", partners, a lessee or borrower or any of their "employees", while moving property to or from a "hired auto" or a "nonowned auto"; or
3. Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under 1. or 2. above.

### D. AMENDED DEFINITIONS

The Definition of "insured contract" of **Section V – Definitions** is amended by the addition of the following exceptions to paragraph f.:

Paragraph f. does not include that part of any contract or agreement:

- (4) 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
- (5) 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.

### E. ADDITIONAL DEFINITIONS

**Section V – Definitions** is amended by the addition of the following definitions:

- 1. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- 2. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include:
  - a. Any "auto" you lease, hire or rent under a lease or rental agreement for a period of 180 days or more, or
  - b. Any "auto" you lease, hire, rent or borrow from any of your "employees", partners, stockholders, or members of their households.
- 3. "Nonowned auto" means any "autos" you do not own, lease, hire, rent or borrow that are being used in the course and scope of your business at the time of an "occurrence". This includes "autos" owned by your "employees" or partners or members of their households but only while being used in the course and scope of your business at the time of an "occurrence".

If you are a sole proprietor, "nonowned auto" means any "autos" you do not own, lease, hire, rent or borrow that are being used in the course and scope of your business or personal affairs at the time of an "occurrence".





# INTERLINE ENDORSEMENTS





**INTERLINE  
ENDORSEMENTS**

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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CYBERFIRST ESSENTIALS GENERAL PROVISIONS FORM  
CYBERFIRST GENERAL PROVISIONS FORM  
DELUXE PROPERTY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EMPLOYMENT PRACTICES LIABILITY<sup>†</sup> WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART  
ENVIRONMENTAL HAZARD POLICY  
EQUIPMENT BREAKDOWN COVERAGE PART  
EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE  
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE  
LAW ENFORCEMENT LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MANUFACTURERS ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND INFORMATION SECURITY LIABILITY COVERAGE FORM  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY - NEW YORK DEPARTMENT OF TRANSPORTATION  
TRAVELERS PROPERTY COVERAGE PART  
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART  
Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

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

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" 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 "TRIA"; 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.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

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

## **PROTECTION OF PROPERTY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART  
DELUXE PROPERTY COVERAGE PART**

The insurance provided under this Coverage Part for direct physical loss of or damage to Covered Property at the described premises is extended to include the following Additional Coverage:

### **Protection of Property**

We will pay the necessary and reasonable expenses actually incurred by you to temporarily safeguard Covered Property at the described premises against the threat of imminent covered direct physical loss or damage by a "specified cause of loss", subject to the following:

1. This Additional Coverage only applies to expenses incurred within 72 hours before the time the imminent "specified cause of loss" is reasonably likely to begin to cause direct physical loss or damage to the Covered Property.
2. This Additional Coverage does not apply to any expenses:
  - (a) To which any Preservation of Property coverage in this Coverage Part may apply; or
  - (b) For maintenance that reasonably should have been performed in the absence of any threat of imminent covered direct physical loss or damage by a "specified cause of loss".
3. The most we will pay under this Additional Coverage for all expenses arising out of all threats of imminent direct physical loss or damage by a "specified cause of loss" occurring during each separate 12-month period of this policy beginning with the effective date of this policy is:

(a) \$5,000 at each of the described premises; and

(b) \$10,000 for all described premises.

This is additional insurance.

If the "specified cause of loss" from which the property is being safeguarded is subject to an aggregate limit of insurance (meaning the limit of insurance is the most we will pay for all loss or damage arising out of all occurrences of such "specified cause of loss" in any one annual period of this policy), the Limit of Insurance that applies to this Additional Coverage is not included in, and does not reduce, the aggregate Limit of Insurance that applies to such "specified cause of loss".

4. This Additional Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the "specified cause of loss" from which the property is being safeguarded.

In the event the "specified cause of loss" from which the property is being safeguarded actually causes covered direct physical loss or damage to the Covered Property, the total of the deductible amounts applied under this Additional Coverage and under the coverage provided for such loss or damage to the Covered Property will not exceed the deductible that applies to the covered loss or damage to the Covered Property by the "specified cause of loss".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS  
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM  
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM  
STANDARD PROPERTY POLICY

A. When this endorsement is attached to the Standard Property Policy CP 00 99 the term Coverage Part in this endorsement is replaced by the term Policy.

B. The **Concealment, Misrepresentation Or Fraud Condition** is replaced by the following with respect to loss ("loss") or damage caused by fire:

We do not provide coverage to the insured ("insured") who, whether before or after a loss ("loss"), has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Coverage Part;
2. The Covered Property;
3. That insured's ("insured's") interest in the Covered Property; or
4. A claim under this Coverage Part or Coverage Form.

C. The **Concealment, Misrepresentation Or Fraud Condition** is replaced by the following with respect to loss ("loss") or damage caused by a Covered Cause of Loss other than fire:

This Coverage Part is void if any insured ("insured"), whether before or after a loss ("loss"), has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Coverage Part;
2. The Covered Property;
3. An insured's ("insured's") interest in the Covered Property; or
4. A claim under this Coverage Part or Coverage Form.

D. Except as provided in E., the **Appraisal Condition** is replaced by the following:

If we and you disagree on the value of the property or the actual cash value or the amount of loss ("loss"), either may make written request for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser. However, in the event of a government-declared disaster, as defined in the Government Code, appraisal may be requested by either you or us but shall not be compelled. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, 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 actual cash value and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of actual cash value and loss ("loss") and will be binding. Each party will:

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

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

E. The **Appraisal Condition** in:

1. Business Income (And Extra Expense) Coverage Form CP 00 30; and
2. Business Income (Without Extra Expense) Coverage Form CP 00 32;

is replaced by the following:



If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent and impartial appraiser. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

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  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:

**2. All Policies In Effect For 60 Days Or Less**

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

**3. All Policies In Effect For More Than 60 Days**

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy

we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.



- (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
  - (6) A determination by the Commissioner of Insurance that the:
    - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
    - (b) Continuation of the policy coverage would:
      - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
      - (ii) Threaten our solvency.
  - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.

**B. The following provision is added to the Cancellation Common Policy Condition:**

**7. Residential Property**

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

**Commercial Property Coverage Part**

**Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form**

- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
- b. We may not cancel this policy solely because the first Named Insured has:
  - (1) Accepted an offer of earthquake coverage; or
  - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

- c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
  - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
  - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.
- d. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not cancel this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred. However, we may cancel:



- (1) When you have not paid the premium, at any time by letting you know at least 10 days before the date cancellation takes effect;
- (2) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against; or
- (3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

C. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. Subject to the provisions of Paragraphs C.2. and C.3. below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

**2. Residential Property**

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. If this policy provides coverage as described in the preceding paragraph, and we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer record at the mailing address shown in the

policy, at least 75 days, but not more than 120 days, before the expiration or anniversary date.

If we fail to give the first Named Insured shown in the Declarations notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to the Named Insured. A notice to this effect shall be provided by us to the first Named Insured with the notice of nonrenewal.

- b. We may elect not to renew such coverage for any reason, except as provided in Paragraphs c., d. and e. below.
- c. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;
- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or



**(3) We have:**

- (a)** Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
- (b)** Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- d.** We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.
- e.** We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (e.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
  - (1)** Commercial Property Coverage Part – Causes Of Loss – Special Form; or
  - (2)** Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.
- f.** If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not nonrenew this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred.

**However, we may nonrenew:**

- (1)** If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against;
  - (2)** If losses unrelated to the postdisaster loss condition of the property have occurred that would collectively render the risk ineligible for renewal; or
  - (3)** If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.
- 3.** We are not required to send notice of nonrenewal in the following situations:
- a.** If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.
  - b.** If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph C.1.
  - c.** If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
  - d.** If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
  - e.** If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
  - f.** If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph C.1., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

# POLICYHOLDER NOTICES





**POLICYHOLDER NOTICES**

## IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION

**NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.**

For information about how Travelers compensates independent agents and brokers, please visit [www.travelers.com](http://www.travelers.com), call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

