

# SSA Elite

PREMIUM IS > \$5000

## INSURED

<b>This section is for policy:</b>	60548-38-35
<b>Assembled-on Date:</b>	06/26/15
<b>Assembled-on Time:</b>	02:15:21
<b>Full Policy Number:</b>	6054838350015
<b>Transaction Number:</b>	001
<b>Operator id:</b>	R7631

**TRANSACTION:**  
RENEWAL

CM057072 03



# STATEMENT

MID-CENTURY INSURANCE COMPANY

° WHEATHERSTONE PROPERTY OWNERS

PO BOX 1573

LAKE OSWEGO OR 97035

JUNE 26, 2015

Date

73-33-R02

Agent's Number

60548-38-35

Policy Number

Loan Number

Renewal Statement - The Company will renew your policy for an additional 12 months term only if payment of the premium indicated is made on or before the renewal date of this notice.

### This Statement Reflects:

Effective Date: 09/05/15

New Business       Reinstatement       Change Of Coverage       Added Coverage

\$ Previous Balance Owing

\$ Premium

\$ Membership, Policy, Reinstatement, Reissue or Service Fees

\$ Pro Rata Premium Due

\$ **9,903.00** Premium For Renewing Entire Present Coverage From 09/05/15 To 09/05/16

\$

\$

\$

\$

\$ **9,903.00** Total Charges

\$

\$ Payments

\$ Other Credits \_\_\_\_\_

\$ Total Credits

\$ **- NONE -** **BALANCE DUE UPON RECEIPT**

\$ Optional Amount

\$ Refund

**WE WANT TO BE YOUR FIRST CHOICE FOR BUSINESS AND PERSONAL LINES INSURANCE. IF YOU PLACE A PERSONAL LINES POLICY WITH FARMERS YOU MAY BE ELIGIBLE TO RECEIVE A DISCOUNT, CONTACT YOUR AGENT TODAY.**

**IMPORTANT- D-O N-O-T P-A-Y T-H-I-S N-O-T-I-C-E  
PREMIUM WILL BE BILLED. ACCT # F003009419-001-00001.**

**\*\* Policyholder Reminder \*\***  
**\*\*Review Your Coverages To Ensure They Meet Your Needs\*\***

Dear Farmers @Customer,

Thank you for choosing Farmers for your Business Insurance needs.

In today's dynamic business environment, we understand that your business can change throughout the year. For example, you may acquire new equipment, adjust your staffing, add a new location, create electronic ordering and/or billing for your customers, or begin offering new services.

**These and many other changes may require updated insurance coverage for your business.**

Farmers offers several services at no cost to you in order to help protect your business and your livelihood.

For example:

- Your Farmers Agent is a great resource who can provide you with business insurance consulting services.
- Whether you are a new or returning client, you can take advantage of this service by calling your Farmers Agent to schedule a Farmers Friendly Review. Your agent will discuss your business needs, review your coverage, and make any coverage adjustments needed.
- MySafetyPoint.com offers a wealth of safety and loss control information which may help you avoid workplace injuries and other losses.
- To access this information, log onto [www.mysafetypoint.com](http://www.mysafetypoint.com), and then register with your policy number and email address. There you will find safety and loss control information that is specific to your type of business.

Thank you for your business. If you have any questions, please contact your Farmers agent.



## Notice To Policyholders Regarding Terrorism Insurance Coverage

Thank you for choosing Farmers for your insurance needs. We appreciate your business and want to keep you informed about changes to your policy and the coverage it provides. This notice is to advise you of recent changes in the U.S. government's Terrorism Risk Insurance Program and the applicability of the endorsements to your policy that address potential terrorism losses. As explained below, these changes to the federal Program will not affect the scope of its coverage for certified acts of terrorism under your policy, nor will they affect the current premium you are paying for this coverage.

The Terrorism Risk Insurance Act of 2002 established the Terrorism Risk Insurance Program, ("the Program") within the Department of the Treasury, under which the federal government would potentially share, with the insurance industry, the risk of loss from a "certified act of terrorism" under the Program. The Program scheduled to terminate on December 31, 2014, was reauthorized by Congress with changes, including extending the termination date from December 31, 2014 to December 31, 2020. President Obama signed the Terrorism Risk Insurance Program Reauthorization Act of 2015 into law on January 12, 2015. Accordingly, as described below, coverage provided by your policy for loss caused by a "certified act of terrorism" continues to be eligible under the Program for partial reimbursement by the United States government under a formula established by federal law.

Your policy is currently endorsed with two types of terrorism endorsements: one which recognizes the fact that the federal Program potentially could have terminated or undergone substantial changes, and, one which addresses the provisions of the ongoing Program.

The first endorsement, titled *Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)*, has policy provisions contingent on whether or not the Program terminates. However, as described above, the Program has been reauthorized and extended with a new termination date. Therefore, although this Conditional Exclusion continues to be endorsed to your policy, it would not have effect until the potential December 31, 2020 termination of the Program or until other changes in the Program occur due to future action by Congress, as provided for in the endorsement.

Your policy also contains an endorsement titled *Limited Terrorism Exclusion (Other Than Certified Acts Of Terrorism); Cap on Losses From Certified Acts Of Terrorism*. At this time, because the Program is in effect and your policy is so endorsed, the provisions of this endorsement apply to your policy and according to its terms you have limited coverage for certified acts of terrorism. However, the terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy, such as losses excluded by the Nuclear Hazard or War exclusion provisions in your policy.

The Terrorism Risk Insurance Program Reauthorization Act of 2015 also made various changes to Program procedures and terminology, none of which affect the scope of coverage for certified acts of terrorism under your policy. With this renewal we are updating your policy with revised endorsements relating to these changes. There is no additional premium for this coverage due to the reauthorization of the Program. In the future, your premium for Program certified acts of terrorism coverage may be revised due to various factors, including but not limited to, changes in the Program that affect federal reimbursement to us in the event of losses from a certified act(s) of terrorism. The total amount charged for Terrorism Risk Insurance Act coverage is shown on the *Disclosure Pursuant To Terrorism Risk Insurance Act* endorsement that is currently attached to this renewal policy and does not include any charges for the portion of loss covered by the federal government under the Act.

This Notice does **not** form a part of your insurance contract. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

Please read your policy carefully, including the endorsements attached to your policy.



## Important Information About Your Renewal Policy

As you review the enclosed renewal policy, you will notice a number of changes on the Declarations pages. The Declarations page now includes a list of all applicable coverages, including limits and deductibles or waiting periods, if any, applicable to a particular coverage. It also shows whether coverage is provided on a per building basis, a per location basis or applies to all areas covered by the entire policy.

When a deductible or waiting period applies to a particular coverage it will be displayed explicitly on the Declarations. If a deductible or waiting period does not apply to a particular coverage, that box will be left blank or state "none".

You will also notice that we have included a new policy endorsement (*J6849, 2nd Edition - Deductible Provisions*) which explains how the deductible will be applied if a single loss affects multiple coverages with different deductible amounts. If a loss occurs, we will apply no more than the amount of the highest deductible associated with all coverages at each location affected.

This notice provides a summary of the changes to your policy; it is not a part of your insurance contract. Please review your policy, endorsements and Declarations pages for complete information.

If you have any questions, please contact your Farmers® agent.



**Mid-Century Insurance Company (A Stock Company)**  
Member Of The Farmers Insurance Group Of Companies®

Home Office: 6301 Owensmouth Ave., Woodland Hills, CA 91367

## COMMON POLICY DECLARATIONS

**Named Insured**      Weatherstone Property Owners

F003009419-001-00001

Account No.

Prod. Count

73-33-R02

60548-38-35

Agent No.

Policy Number

**Mailing Address**      Po Box 1573  
Lake Oswego, OR 97035

**Form of Business**       Individual       Joint Venture       Limited Liability Co.  
 Corporation       Partnership       Other Organization

**Business Description:**

Condominium

**Policy Period**      From 09-05-2015 (not prior to time applied for)  
To 09-05-2016 12:01 A.M. Standard time at your mailing address shown above.

If this policy replaces other coverage that ends at noon standard time of the same day this policy begins, this policy will not take effect until the other coverage ends. **This policy will continue for successive policy periods as follows:** If we elect to continue this insurance, we will renew this policy if you pay the required renewal premium for each successive policy period subject to our premiums, rules and forms then in effect.

This policy consists of the following coverage parts listed below and for which a premium is indicated. This premium may be subject to change.

Coverage Parts	Premium After Discount And Modification
Condominiums Owners Policy	\$9,342.00
Directors And Officers Liability	\$561.00
Certified Acts Of Terrorism - See Disclosure Endorsement	Included
Total (See Additional Fee Information Below)	\$9,903.00

**Policy Number:** 60548-38-35

**Effective Date:** 09-05-2015

**Forms Applicable To** 25-3065

Reminder-Review Your Coverages

**All Coverage Parts:**

**Your Agent**

Erin Mcculloch  
Erin Mcculloch Ins Inc  
17030 Sw Pilkington  
Lake Oswego, OR 97035  
(503) 699-0189

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Countersigned (Date)

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By Authorized Representative

**Additional Fee Information**

The following additional fees apply on an account, not a per-policy, basis.

- A **service fee** will be assessed on every installment invoice and will be included in the minimum amount due. However, if you choose to pay the entire account balance in full upon receipt of the first installment, the fee will be waived. In addition, for accounts fully enrolled in online billing and scheduled for recurring Electronic Funds Transfer (EFT) payments the fee will be waived.

State	Installment Fee
All states except Alaska, Florida, New Jersey And West Virginia	\$6.00
Alaska	Not applicable
Florida	\$3.00
New Jersey	\$7.00
West Virginia	\$5.00

- A **returned payment** fee applies per check, electronic transaction or other remittance which is not honored by your financial institution for any reason including but not limited to insufficient funds or a closed account. **NOTE: If the returned payment is in response to a Notice of Cancellation, coverage still cancels on the cancellation effective date set forth in the notice.**

State	NSF Fee
All States Except Alaska, Florida, Indiana, Maine, Nebraska, New Jersey, North Dakota, Oklahoma, Virginia And West Virginia	\$30.00
North Dakota And Oklahoma	\$25.00
Nebraska And Indiana	\$20.00
Florida And West Virginia	\$15.00
Maine	\$10.00
Alaska, New Jersey And Virginia	Not applicable

- A **late fee** will be assessed on each Notice of Cancellation that is issued and will be included in the minimum amount due.

State	Late Fee
All States Except Alaska, Florida, Maryland, Missouri, Nebraska, New Jersey, Rhode Island, Virginia, South Carolina And West Virginia	\$20.00
Maryland, Nebraska, Rhode Island And South Carolina	\$10.00
Alaska, Florida, Missouri, New Jersey, Virginia And West Virginia	Not applicable

The following applies on a per-policy basis.

- A **reinstatement fee** of \$25.00 will be assessed if the policy is reinstated over 30 days but under 6 months from the cancellation date. *This fee does not apply to Florida, Indiana & Maryland or to Workers Compensation policies.*

One or more of the fees or charges described above may be deemed a part of premium under applicable state law.

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



**J6300**  
3rd Edition

## DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

### SCHEDULE

<b>SCHEDULE - PART I</b>	
<b>Terrorism Premium (Certified Acts) \$</b>	<b>98.00</b>
<b>Additional information, if any, concerning the terrorism premium:</b>	
<b>SCHEDULE - PART II</b>	
<b>Federal share of terrorism losses</b> <u>85</u> % Year: <u>2015</u> (Refer to Paragraph B. in this endorsement)	
<b>Federal share of terrorism losses</b> <u>84</u> % Year: <u>2016</u> (Refer to Paragraph B. in this endorsement)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

#### A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

#### B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

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

#### C. Cap On Insurer Participation In Payment Of Terrorism Losses

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



**CONDITIONAL EXCLUSION OF TERRORISM  
(RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)**

This endorsement modifies insurance provided under the following:

- APARTMENT OWNERS PROPERTY COVERAGE FORM
- APARTMENT OWNERS LIABILITY COVERAGE FORM
- CONDOMINIUM OWNERS PROPERTY COVERAGE FORM
- CONDOMINIUM OWNERS LIABILITY COVERAGE FORM
- DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM

**SCHEDULE**

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

California	Oregon
Illinois	Virginia
Iowa	Washington
Missouri	Wisconsin
North Carolina	

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

**A.** Coverage is amended as follows:

**1. Applicability Of The Provisions Of This Endorsement**

**a. 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.**

**(1) 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; or**

**(2) 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:**

**(a) 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**

**(b) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or**

**(c) 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.**

**b. If the provisions of this endorsement become applicable, such provisions:**

**(1) 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 loss or injury or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and**

**(2) Remain applicable unless we notify you of changes in these provisions, in response to federal law.**

**c. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.**

2. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"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.

B. The applicable **Property Coverage Form** is amended as follows:

1. The following exclusion is added:

**EXCLUSION OF TERRORISM**

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident 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. But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

a. 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

b. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

c. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

d. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

e. 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 **1.e.**, 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.

## **2. 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 coverages or endorsements that apply to those coverages.

## **3. Application Of Other Exclusions**

When the Exclusion Of Terrorism applies in accordance with the terms of Paragraph **1.a.** or **1.b.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form.

**C.** The applicable **Liability Coverage Form** and the **Directors and Officers Liability Coverage Form** is amended as follows:

- 1.** The following definition is added and applies under this endorsement wherever the phrase any injury or damage, is enclosed in quotation marks:

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

- 2.** The following exclusion is added:

### **EXCLUSION OF TERRORISM**

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

- a.** 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
- b.** Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- c.** The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- d.** Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- e.** The total of insured damage to all types of property 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; or

**f.** Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

- (1)** Physical injury that involves a substantial risk of death; or
- (2)** Protracted and obvious physical disfigurement; or
- (3)** Protracted loss of or impairment of the function of a bodily member or organ.

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 Paragraph **2.e.** or **2.f.** are exceeded.

With respect to this Exclusion, Paragraphs **2.e.** and **2.f.** 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 Form.

**D.** The following provision is added to the applicable Coverage Form:

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

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



**PROPERTY, INLAND MARINE AND CRIME COVERAGES AND LIMITS**

**The following coverages apply to the described locations and/or building. Please refer to the Base Coverages And Extensions section for other coverages and extensions applying at the policy level.**

**Option:** BV - Blanket Value (see Base Coverage & Extensions for the total limit)  
**Valuation:** ACV - Actual Cash Value; AV - Agreed Value; RC - Replacement Cost;  
 ERC - Extended RC; FRC- Functional RC; GRC - Guaranteed RC  
**Abbreviation:** ALS = Actual Loss Sustained; BI = Business Income; EE = Extra Expense

Premises Number	Bldg. No.	Covered Premises Address	Mortgagee Name And Address
001	All	2 - 98 Wheatherstone Lake Oswego, OR 97035	

Coverage	Option	Valuation	Limit Of Insurance	Deductible/ Waiting Period
Building		ERC	\$13,250,000	\$10,000
Accounts Receivables - On-Premises			\$5,000	\$10,000
Building - Automatic Increase Amount			8%	
Building Ordinance Or Law - 1 (Undamaged Part)			Included	None
Building Ordinance Or Law - 2 (Demolition Cost)			\$280,900	None
Building Ordinance Or Law - 3 (Increased Cost)			\$280,900	None
Debris Removal			25% Of Loss + 10,000	
Electronic Data Processing Equipment			\$10,000	\$10,000
Equipment Breakdown			Included	\$10,000
Exterior Building Glass			Included	\$10,000
Outdoor Property			\$50,000	\$10,000
Outdoor Property - Trees, Shrubs & Plants (Per Item)			\$25,000	\$10,000
Personal Effects			\$2,500	\$10,000
Specified Property			\$10,000	\$10,000
Valuable Paper And Records - On-Premises			\$5,000	\$10,000

**PROPERTY, INLAND MARINE AND CRIME COVERAGE AND LIMITS OF INSURANCE**

The following Coverages and Extensions apply to all covered locations (premises) and/or buildings. Please refer to the individual location (premises) section for coverages and limits specific to such location (premises).

Base Coverage And Extensions	Limit of Insurance	Deductible/ Waiting Period
Accounts Receivables - Off-Premises	\$2,500	\$10,000
Association Fees And Extra Expense	\$100,000	
Crime Conviction Reward	\$5,000	None
Employee Dishonesty	\$125,000	\$500
Fire Department Service Charge	\$25,000	None
Fire Extinguisher Systems Recharge Expense	\$5,000	None
Forgery And Alteration	\$2,500	\$10,000
Limited Cov. - Fungi Wet Rot Dry Rot & Bacteria - Aggregate	\$15,000	\$10,000
Master Key	\$10,000	None
Master Key - Per Lock	\$100	None
Money And Securities - Inside Premises	\$10,000	\$500
Money And Securities - Outside Premises	\$10,000	\$500
Money Orders And Counterfeit Paper Currency	\$1,000	\$10,000
Newly Acquired Or Constructed Property	\$250,000	\$10,000
Outdoor Signs	\$50,000	\$10,000
Outdoor Signs - Per Sign	\$25,000	\$10,000
Personal Property At Newly Acquired Premises	\$100,000	\$10,000
Personal Property Off Premises	\$5,000	\$10,000
Premises Boundary	100 Feet	
Preservation Of Property	30 Days	
Unit Owners - Included With Building	Included	\$10,000
Valuable Paper And Records - Off-Premises	\$2,500	\$10,000

**LIABILITY AND MEDICAL EXPENSES  
COVERAGE AND LIMITS OF INSURANCE**

**Each paid claim for the following coverage reduces the amount of insurance we provide during the applicable policy period. Please refer to the policy.**

**Premium Basis:** (A) Area; (C) Total Cost; (P) Payroll; (S) Sales/Receipts; (U) Each Unit  
 (M) Public Area Square Feet  
 (O) Other:

**Covered Premises And Operations**

Address	Classification /Exposure	Class Code	Prem. Basis	Annual Exposure	Rate	Advance Premium
2 - 98 Wheatherstone Lake Oswego, OR 97035	Condominiums / Townhomes	8641	Incl	Included	Included	Included

<b>LIABILITY AND MEDICAL EXPENSES COVERAGE AND LIMITS OF INSURANCE CONTINUED</b>	
<b>Coverage</b>	<b>Amount / Date</b>
General Aggregate (Other Than Products & Completed Operations)	\$2,000,000
Products And Completed Operations Aggregate	\$1,000,000
Personal And Advertising Injury	Included
Each Occurrence	\$1,000,000
Tenants Liability (Each Occurrence)	\$75,000
Medical Expense (Each Person)	\$5,000
Directors & Officers Liability - Per Claim	\$1,000,000
Directors & Officers Liability - Aggregate	\$1,000,000
Directors & Officers Liability - Self Insured Retention	\$1,000
Directors & Officers Liability Retroactive Date	09/05/2013

**Policy Forms And Endorsements Attached At Inception**

Number	Title
25-2110	Work Comp Exclusion
25-2614	Investigative Practices
56-5166ED5	Additional Conditions
E0104-ED1	Business Liab Cov-Tenants Liab
E0125-ED1	Lead Poisoning & Contamination Excl
E2038-ED3	Conditional Exclusion Of Terrorism
E3015-ED2	Calculation Of Premium
E3024-ED3	Condominium Common Conditions
E3037-ED1	No Covg-Certain Computer Related Losses
E3314-ED3	Condominium Liability Covg Form
E3331-ED3	Limit Of Covg To Desig Prem Or Proj
E3418-ED2	Condo Assoc Unit Covg End
E3422-ED3	Condominium Property Covg Form
E4009-ED4	Mold & Microorganism Exclusion
E6288-ED3	Excl-Building Conversion
E6326-ED3	Property Not Covered Endorsement
E9122-ED6	D & O Liab Covg Form
J6300-ED3	Discl Of Prem-Cert Acts Of Terror
J6316-ED1	Excl Of Loss Due To Virus Or Bact
J6347-ED1	Excl-Violation Of Statutes
J6350-ED1	Employee Dishonesty-Property Mgr
J6351-ED2	Limited Terrorism Exclusion
J6353-ED1	Change To Limits Of Insurance
J6612-ED2	Equipment Breakdown Coverage End
J6739-ED1	Two Or More Coverage Forms
J6829-ED1	Ltd Covg For Fungi, Wet/Dry Rot
J6833-ED2	Condominium Premier Package End
J6849-ED2	Deductible Provisions
J7114-ED1	Asbestos Exclusion
S7329-ED5	Oregon Changes



## DEDUCTIBLE PROVISIONS

This endorsement modifies insurance provided under the following:

APARTMENT OWNERS PROPERTY COVERAGE FORM  
BUSINESSOWNERS COVERAGE FORM  
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM  
CONDOMINIUM PROPERTY COVERAGE FORM

The Deductible provisions in the applicable coverage form are amended as follows.

Section **D. Deductibles** in the applicable Property Coverage Form, and Paragraph **D. Deductibles** in **SECTION I - PROPERTY** of the Businessowners Coverage Form is deleted and replaced by the following:

### **D. DEDUCTIBLES**

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.
2. If more than one Deductible applies in any one occurrence we will apply each Deductible separately per location. But the total of all Deductible amounts applied in that occurrence will not exceed the highest applicable Deductible per location.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



## EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM  
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM  
APARTMENT OWNERS PROPERTY COVERAGE FORM  
CONDOMINIUM PROPERTY COVERAGE FORM

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

When this endorsement is made part of a BUSINESSOWNERS POLICY, the optional coverage for Mechanical Breakdown in the Businessowners Special Property Coverage Form and the Businessowners Coverage Form is deleted in its entirety.

The following is added to **5. Additional Coverages** under Section **A. Coverage** in the applicable Property Coverage Form:

### Equipment Breakdown Coverage

We will pay for direct damage to Covered Property caused by or resulting from Breakdown to Covered Equipment owned by you, or in your care, custody or control, and for which you are legally liable and located at the described premises. The provisions of:

1. Paragraphs **f. Business Income** and **g. Extra Expense** under Section **A.5. Additional Coverages** in the Businessowners Special Property Coverage Form and **Section I - Property** of the Businessowners Coverage Form;
2. Paragraphs **e. Business Income** and **f. Extra Expense** under Section **A.5. Additional Coverages** in the Apartment Owners Property Coverage Form; and
3. Paragraph **e. Association Fees and Extra Expense** in the Condominium Owners Property Coverage Form

apply as a consequence of covered direct damage to Covered Property if Business Income and Extra Expense or Association Fees and Extra Expense are covered in this policy.

### 1. Covered Equipment

- a. Covered Equipment means and includes any of the following:
  - (1) Equipment built to operate under internal pressure or vacuum other than weight of contents; and
  - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy.
- b. Covered Equipment does not mean or include any of the following:
  - (1) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
  - (2) Insulating or refractory material, but not excluding the glass lining of any Covered Equipment;
  - (3) Non-metallic pressure or vacuum equipment unless it is constructed and used in accordance with the American Society of Mechanical Engineers (ASME) code or another appropriate and approved code;
  - (4) Catalyst;
  - (5) Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;

- (6) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube, well casing, or water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
- (7) Vehicle, aircraft, self-propelled equipment or floating vessel including any Covered Equipment that is mounted upon or used solely with any one or more vehicle(s), aircraft, self-propelled equipment or floating vessel;
- (8) Dragline, excavation or construction equipment including any Covered Equipment that is mounted upon or used solely with any one or more dragline(s), excavation, or construction equipment;
- (9) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- (10) Computer Equipment, meaning:
  - (a) Programmable electronic equipment that is used to store, retrieve and process data (unless used to control covered equipment); and
  - (b) Associated peripheral equipment that communicates with the equipment described in (a) above, including input and output functions such as printing and auxiliary functions such as data transmission.
- (11) Media, meaning electronic data processing or storage media such as films, tapes, discs, drums or cells;
- (12) Electronic Data, meaning:
  - (a) Programmed and recorded material stored on media, as described in b.(11) above; and
  - (b) Programming records used for electronic data processing, or electronically controlled equipment; or
- (13) Equipment or any part of such equipment manufactured by you for sale or lease.

## 2. Breakdown

- a. Breakdown means direct physical loss that causes damage to Covered Equipment and necessitates its repair or replacement as follows:
  - (1) Failure of pressure or vacuum equipment;
  - (2) Mechanical failure including rupture or bursting caused by centrifugal force; or
  - (3) Artificially generated electrical failure including arcing that disturbs electrical devices, equipment, appliances or wires.
- b. Breakdown does not mean or include:
  - (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
  - (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
  - (3) Damage to any vacuum tube, gas tube or brush;
  - (4) Damage to any structure or foundation supporting the Covered Equipment or any of its parts; or
  - (5) The cracking of any part of an internal combustion gas turbine exposed to the products of combustion.

If an initial Breakdown causes other Breakdowns, all will be considered One Breakdown. All Breakdowns at any one described premises that manifest themselves at the same time and are the direct result of the same cause will be considered One Breakdown.

3. This Additional Coverage will not increase the Limits of Insurance provided in this policy.

#### 4. Extensions

The following Extensions also apply to loss caused by or resulting from Breakdown to Covered Equipment owned by you, or in your care, custody or control, and for which you are legally liable and located at the described premises.

The most we will pay for any of the following Extensions is \$25,000 unless another Limit of Insurance is shown in the Declarations for such Extensions. Unless Business Income and Extra Expense or Association Fees and Extra Expense are excluded from the policy, this includes loss of business income and/or necessary extra expense or association fees and extra expense you may incur as a consequence of the following Extensions. The Limits of Insurance applicable to these Extensions will not increase the Limits Of Insurance provided in this policy.

##### a. Expediting Expenses

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or replacement of the damaged property.

##### b. Ammonia Contamination

The spoilage to Covered Property contaminated by ammonia, including any salvage expense.

##### c. Hazardous Substance

We will pay for any additional expenses incurred by you for the clean up, repair or replacement or disposal of Covered Property that is damaged, contaminated, or polluted by a Hazardous Substance.

As used here, additional expenses means the additional cost incurred over and above the amount that we would have paid had no Hazardous Substance been involved with the loss.

Hazardous Substance means any substance other than ammonia that has been declared hazardous to health by a governmental agency. Ammonia is not considered to be a Hazardous Substance as respects this Additional Coverage.

##### d. Water Damage

The damage to Covered Property by water, including any salvage expenses, except no coverage applies to such damage resulting from leakage of a sprinkler system or domestic water piping.

##### e. Drying Out Coverage

If electrical Covered Equipment requires drying out as a result of a flood, we will pay for the direct expenses of such drying out.

##### f. Valuation

(1) If you elect or we require that the repair or replacement of the damaged Covered Equipment be done in a manner that:

- (a) Improves the environment;
- (b) Increases efficiency; or
- (c) Enhances safety;

while maintaining the existing function, then we will pay, subject to the limit of insurance, up to an additional 25% of the property damage amount for the Covered Equipment otherwise recoverable.

(2) If:

- (a) Any damaged Covered Equipment is protected by an extended warranty, or maintenance or service contract; and
- (b) That warranty or contract becomes void or unusable due to a Breakdown;

we will reimburse you for the unused costs of non-refundable, non-transferable warranties or contracts.

## 5. Conditions

The following conditions apply to this Additional Coverage:

### a. 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 a Breakdown to that Covered Equipment by delivering or mailing written notice of suspension to:

- (1) Your last known address; or
- (2) 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. But the suspension will be effective even if we have not yet made or offered a refund.

### b. Salvage

Any salvage value of property obtained for temporary repairs or use following a Breakdown which remains after repairs are completed will be taken into consideration in the adjustment of any loss.

## 6. Exclusions

a. The following limitations and exclusions in **A.4 Limitations** and **B. Exclusions** in the Businessowners Special Property Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.k.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.k. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.k.(1)** through **B.2.k.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

b. The following limitations and exclusions in **A.4. Limitations** and **B. Exclusions** under **Section I - Property** in the Businessowners Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.I.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.i. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.i.(1)** through **B.2.i.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

- c. The following limitations and exclusions in **A.4. Limitations** and **B. Exclusions** in the Apartment Owners Property Coverage Form or the Condominium Property Coverage Form do not apply to the extent that coverage is provided in this Additional Coverage:

- (1) Limitation **A.4.a.(1)** Steam Equipment;
- (2) Limitation **A.4.a.(2)** Water Heating Equipment;
- (3) Exclusion **B.2.a.** Electrical Apparatus;
- (4) Exclusion **B.2.d.** Steam Apparatus; and
- (5) Exclusion **B.2.j.(6)** Mechanical Breakdown.

With respect to this Additional Coverage, the last paragraph of Exclusion **B.2.j. Other Types of Loss** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **B.2.j.(1)** through **B.2.j.(7)** results in a Breakdown, we will pay for the loss or damage caused by that Breakdown.

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

- (1) Damage to Covered Equipment undergoing a pressure or electrical test.
- (2) Depletion, deterioration, corrosion, erosion, rust or wear and tear. However, if a Breakdown occurs we will pay the resulting loss or damage.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



**J7114**  
1st Edition

## REMOVAL OF ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

**APARTMENT OWNERS PROPERTY COVERAGE FORM**  
**CONDOMINIUM PROPERTY COVERAGE FORM**

Section **B. Exclusions** of the applicable property coverage form is amended as follows:

**A.** Paragraph **B.1.g. Asbestos** does not apply.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.



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Dear Valued Customer,

Have the growth of your business and rising labor costs reduced the accuracy of the payroll or revenue shown on your policy? Have increased costs and inflationary trends reduced the protection provided by your policy? Building and Business Personal Property insurance limits, once adequate, may no longer meet today's repair or replacement costs.

To help compensate for these inflationary trends, the limits of insurance for Building and/or Business Personal Property coverages have been increased by a modest percentage. To keep your policy current with rising labor costs and normal business growth, the payroll and/or revenue have also been increased by a modest percentage.

This renewal offer includes the adjusted limits of insurance, payroll, revenue, and premium for your policy. The adjustments are relatively small, and they're based on estimated increases in the past year's construction and repair costs, as well as other inflationary factors, such as rising labor costs and normal business growth.

These increases do not guarantee adequate coverage for any loss; they are based on estimates. It is possible, for example, that updates or improvements to your property or increased sales might cause your individual needs for coverage to be greater than the amount provided by these adjustments. If you have not reviewed your policy recently, the effects of inflationary changes over time create the likelihood that the increases we made are less than the increases you need for optimal coverage.

These changes are made to better serve your insurance needs, and we encourage you to contact your Farmers<sup>®</sup> agent, who will be pleased to help you with a comprehensive review of your policy.

Acceptance of these changes does not waive the provisions of the coinsurance clause or any other policy clause.

Thank you for choosing Farmers. We appreciate your business.



## EXCLUSION - CONVERSION PROJECTS

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

This endorsement modifies insurance provided under the following:

**Apartment Owners Liability Coverage Form**

**Condominium Liability Coverage Form**

A. The following is added to Section B. **EXCLUSIONS**, Paragraph 1. **Applicable To Business Liability Coverage** of the applicable Coverage Form:

### **Conversion Projects**

"Bodily injury", "property damage" or "personal and advertising injury" including loss adjustment expense that arises out of, is related to, or connected with any "Conversion Project".

B. For the purposes of this endorsement, the following definition is added to Section F. **LIABILITY AND MEDICAL EXPENSES DEFINITIONS** of the applicable Coverage Form:

22. "Conversion Project" means any activities whereby all or part of an existing structure is converted into a condominium, townhouse, apartment, hotel, motel, any multiple use residential or commercial building, or any such change of use as referenced in any applicable laws.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



**J6351**  
2nd Edition

**LIMITED TERRORISM EXCLUSION  
(OTHER THAN CERTIFIED ACTS OF TERRORISM);  
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the policy number indicated above.

**SCHEDULE**

The <b>Exception Covering Certain Fire Losses</b> (Paragraph <b>B.2.</b> ) applies to property located in the following state(s):
California, Hawaii, Iowa, Illinois, Massachusetts, Maine, Missouri, North Carolina, New Jersey, New York, Oregon, Rhode Island, Virginia, Washington, Wisconsin, West Virginia
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A.** The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
  - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less.

**B.** The **Property Coverage Form** attached to this policy is amended as follows:

1. The following exclusion is added:

**EXCLUSION OF AN "OTHER ACT OF TERRORISM"**

We will not pay for loss or damage caused directly or indirectly by an "other 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. But this exclusion applies only when one or more of the following are attributed to such act:

- a. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- b. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or

- c. 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 "other acts 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.

With respect to this item, **B.1.c.** the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act 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 "other act of terrorism", there is no coverage under this Policy.

## 2. Exception Covering Certain Fire Losses

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

If an "other act of 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 exception does not apply to insurance provided under business income and/or extra expense coverage or endorsements that apply to those coverages.

## C. The **Liability Coverage Form** attached to this policy is amended as follows:

### 1. The following exclusion is added:

This insurance does not apply to:

#### **TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such act:

- a. The total of insured damage to all types of property 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; or
- b. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - (1) Physical injury that involves a substantial risk of death; or
  - (2) Protracted and obvious physical disfigurement; or
  - (3) Protracted loss of or impairment of the function of a bodily member or organ; or
- c. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- d. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- e. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs **C.1.a.** and **b.** describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

2. The following definition is added:

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

**D. APPLICATION OF OTHER 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 loss or injury or damage that is otherwise excluded under this Policy.

**E. CAP ON CERTIFIED TERRORISM LOSSES**

The following limitation applies to property and liability coverage for any one or more "certified acts of terrorism" that are not excluded by the terms of Paragraph **D**.

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

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.