



MUTUAL COMPANY  
NONASSESSABLE POLICY

SOUTH SHORE III CONDOMINIUM  
ASSOCIATION  
C/O BELLE TERRE PROPERTY MGMT  
PO BOX 297  
GRANTHAM, NH 03753-0297

## **BUSINESSOWNERS POLICY**

**VERMONT MUTUAL INSURANCE COMPANY**

**MONTPELIER, VERMONT  
ORGANIZED 1828**

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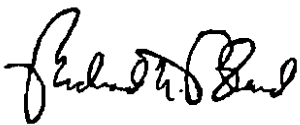
THIS POLICY JACKET WITH THE BUSINESSOWNERS COVERAGE FORM(S), DECLARATIONS PAGE  
AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETES THIS POLICY.

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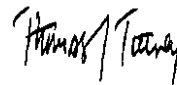
**MUTUALS - VOTING NOTICE:** The Policyholder is notified that each recorded Policyholder of the VERMONT MUTUAL INSURANCE COMPANY may attend any meeting of the Policyholders of the Company and is entitled to vote either in person or by proxy. The Annual Meeting of the Policyholders of the Company is held on the first Wednesday after the second Thursday in April at such place and time as shall be designated in the notice therefor. Appointments of proxies must be filed with the Secretary of the Company at least sixty days before the Annual Meeting.

**MUTUALS - PARTICIPATION WITHOUT CONTINGENT LIABILITY: No Contingent Liability:** This policy is nonassessable. Upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, the Policyholder shall participate in the distribution of dividends so fixed and determined.

In Witness Whereof, the Company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly constituted and licensed agent of the Company. A duly constituted and licensed agent of the Company does not have to countersign this policy, however, if such countersignature is not required under state law.



Secretary



President



**VERMONT MUTUAL GROUP**  
 89 State Street, PO Box 188  
 Montpelier, VT 05601-0188

**BUSINESSOWNERS POLICY DECLARATIONS**

To report a claim call your Agent  
 or the Company at 800-435-0397

Policy Number: BP11033453 - NEW POLICY

Type of Billing: DIRECT BILL TO INSURED

**Named Insured / Address**

SOUTH SHORE III CONDOMINIUM  
 ASSOCIATION  
 C/O BELLE TERRE PROPERTY MGMT  
 PO BOX 297  
 GRANTHAM, NH 03753-0297

**Agency / Address**

DAVIS & TOWLE GROUP-HENNIKER  
 PROCTOR SQUARE  
 PO BOX 2300  
 HENNIKER, NH 03242-2300

(603) 428-3238

**POLICY PERIOD** From 01/01/2012

To 01/01/2013 at 12:01 A.M.\*

\*Standard Time at your mailing address shown above.

**INSURANCE PROVIDED BY: VERMONT MUTUAL INS CO.**

**TOTAL POLICY PREMIUM at inception is:** \_\_\_\_\_ and \_\_\_\_\_ at each anniversary.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

<b>BUSINESS DESCRIPTION</b>			
Form of Business: OTHER			
<b>DESCRIBED PREMISES</b>			
<b>Prem. No.</b>	<b>Bldg. No.</b>	<b>Location/Occupancy</b>	<b>Mortgageholder Name and Address</b>
001	001	SIX UNIT CONDO/BLANKET NIBLIC LN GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 1,004,547	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000</b>		<b>OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$ 250</b>	
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$ included
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			\$ per occurrence
4. <input type="checkbox"/> Employee Dishonesty			\$ Inside the Premises
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$
<b>LIABILITY AND MEDICAL PAYMENTS</b>			
Except for Fire Legal Liability, each paid claim for the following coverages reduces the amount of insurance we provide during the applicable annual period. Please refer to Paragraph D.4. of the Businessowners Liability Coverage Form.			
Liability and Medical Expenses	Limits of Insurance	\$ 2,000,000	
Medical Expenses	\$ 5,000	Per person	
Fire Legal Liability	\$ 50,000	Any one fire or explosion	
<b>FORMS / ENDORSEMENTS ATTACHED TO THIS POLICY: (See Schedule of Forms and Endorsements - BPDEC4)</b>			

**COUNTERSIGNED** \_\_\_\_\_  
 (DATE)

**BY** \_\_\_\_\_  
 (AUTHORIZED REPRESENTATIVE)

THESE DECLARATIONS TOGETHER WITH THE COVERAGE FORM(S), COMMON POLICY CONDITIONS, FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREFORE, COMPLETE THE ABOVE NUMBERED POLICY.

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**VERMONT MUTUAL GROUP**  
 89 State Street, PO Box 188  
 Montpelier, VT 05601-0188

**BUSINESSOWNERS POLICY DECLARATIONS**

Policy Number: BP11033412

Named Insured: SOUTH SHORE II CONDOMINIUM

DESCRIBED PREMISES			
Prem. No.	Bldg. No.	Location/Occupancy	Mortgageholder Name and Address
001	002	TWO UNIT CONDO/BLANKET PIONEER POINT GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 296,800	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000</b>		<b>OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$</b>	250
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$ included
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			\$ per occurrence
4. <input type="checkbox"/> Employee Dishonesty			\$ Inside the Premises
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$



**VERMONT MUTUAL GROUP**  
 89 State Street, PO Box 188  
 Montpelier, VT 05601-0188

**BUSINESSOWNERS POLICY DECLARATIONS**

Policy Number: BP11033412

Named Insured: SOUTH SHORE II CONDOMINIUM

DESCRIBED PREMISES			
Prem. No.	Bldg. No.	Location/Occupancy	Mortgageholder Name and Address
001	003	THREE UNIT CONDO/BLANKET PIONEER POINT GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 593,600	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000 OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$ 250</b>			
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			included
4. <input type="checkbox"/> Employee Dishonesty			\$ per occurrence
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Inside the Premises
			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$



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**BUSINESSOWNERS POLICY DECLARATIONS**

Policy Number: BP11033412

Named Insured: SOUTH SHORE II CONDOMINIUM

DESCRIBED PREMISES			
Prem. No.	Bldg. No.	Location/Occupancy	Mortgageholder Name and Address
001	004	TWO UNIT CONDO/BLANKET PIONEER POINT GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 296,800	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000 OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$ 250</b>			
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			included
4. <input type="checkbox"/> Employee Dishonesty			\$ per occurrence
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Inside the Premises
			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$



**VERMONT MUTUAL GROUP**  
 89 State Street, PO Box 188  
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**BUSINESSOWNERS POLICY DECLARATIONS**

Policy Number: BP11033412

Named Insured: SOUTH SHORE II CONDOMINIUM

DESCRIBED PREMISES			
Prem. No.	Bldg. No.	Location/Occupancy	Mortgageholder Name and Address
001	005	TWO UNIT CONDO/BLANKET PIONEER POINT GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 445,200	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000 OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$ 250</b>			
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			included
4. <input type="checkbox"/> Employee Dishonesty			\$ per occurrence
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Inside the Premises
			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$



**VERMONT MUTUAL GROUP**  
 89 State Street, PO Box 188  
 Montpelier, VT 05601-0188

**BUSINESSOWNERS POLICY DECLARATIONS**

Policy Number: BP11033412

Named Insured: SOUTH SHORE II CONDOMINIUM

DESCRIBED PREMISES			
Prem. No.	Bldg. No.	Location/Occupancy	Mortgageholder Name and Address
001	006	TWO UNIT CONDO/BLANKET PIONEER POINT GRANTHAM, NH 03753	(See Schedule of Mortgageholder(s) - BPDEC5 - If Applicable)
<b>PROPERTY - Limits of Insurance for</b>			
<b>BUILDINGS</b>		\$ 296,800	
• Actual Cash Value - Buildings Option (Y/N)		N	
• Automatic Increase - Building Limit (pct.)		4%	
<b>BUSINESS PERSONAL PROPERTY</b>		\$	
<b>EARTHQUAKE DEDUCTIBLE (pct)</b>		%	
<b>DEDUCTIBLE \$ 5,000</b>		<b>OPTIONAL COVERAGE/EXTERIOR BUILDING GLASS DEDUCTIBLE \$</b>	250
<b>OPTIONAL COVERAGES - Applicable only if an "X" is shown in the boxes below:</b>			<b>Limits of Insurance</b>
1. <input type="checkbox"/> Outdoor Signs			\$ per occurrence
2. <input type="checkbox"/> Tenant's Exterior Building Glass			\$ included
3. Interior Glass <input type="checkbox"/> Basement/ground floor level <input type="checkbox"/> All Floors			\$ per occurrence
4. <input type="checkbox"/> Employee Dishonesty			\$ Inside the Premises
5. <input type="checkbox"/> Money & Securities (Special Form Only)			\$ Outside the Premises
<b>COVERAGE EXTENSIONS</b>			
1. Optional Higher Limits - Accounts Receivable			\$
2. Optional Higher Limits - Valuable Papers			\$
<b>ADDITIONAL COVERAGES</b> Optional Higher Limits - Forgery and Alteration			\$



**VERMONT MUTUAL GROUP**  
89 State Street, PO Box 188  
Montpelier, VT 05601-0188

**BUSINESSOWNERS POLICY DECLARATIONS  
SCHEDULE OF FORMS AND ENDORSEMENTS**

**Policy Number:** BP11033412

**Named Insured:** SOUTH SHORE II CONDOMINIUM

**FORMS / ENDORSEMENTS ATTACHED TO THIS POLICY:**

BPEBC1	(11/99)	EQUIPMENT BREAKDOWN ENDT
BP0002	(12/99)	SPECIAL PROPERTY COVERAGE FORM
BP0006	(01/97)	LIABILITY COVERAGE FORM
BP0009	(01/97)	COMMON POLICY CONDITIONS
BP0514	(01/03)	WAR LIABILITY EXCLUSION
BP0523	(01/08)	CAP LOSSES CERT. ACTS OF TERR.
BP1701	(01/97)	CONDOMINIUM ASSOC COVERAGE
NO104	(04/03)	BUSINESSOWNERS POLICY JACKET
TRIADIS2	(07/11)	OFFER OF TERRORISM COV./PREM.
VB0301	(10/96)	ICE DAM-WATER DAMAGE DED
VB0576	(02/04)	LIMITED FUNGI OR BACTERIA COV
VB0577	(02/04)	FUNGI OR BACTERIA EXCLUSION
VB1201	(07/04)	BLANKET INSURANCE ENDORSEMENT
VB1420	(01/06)	ADD'L PROPERTY NOT COVERED
VB2021	(09/05)	ADD'L INS'D VOLUNTEER WORKERS
VL0402	(03/01)	DIRECTORS & OFFICERS LIABILITY
VMAE	(03/11)	ADVANTAGE ENDORSEMENT

**FORMS / ENDORSEMENTS APPLICABLE TO DESCRIBED PREMISES NO.: 001**

BCEE	(03/11)	COVERAGE ENHANCEMENT ENDT
BP0113	(10/99)	NEW HAMPSHIRE CHANGES
BP0146	(02/96)	NH CHANGE-CONCEAL/MISREP/FRAUD
BP0404	(01/96)	HIRED & NON-OWNED AUTO LIAB
BP0419	(06/89)	LIQUOR LIAB EXCL-EXCPT SCH ACT
BP0496	(10/01)	PREMIUM AUDIT ENDORSEMENT
VB0022	(01/10)	EFFECTIVE TIME CHANGES
VM0122	(03/11)	STANDARD FIRE POLICY PROVISION
VM2801	(09/02)	NH CHANGES-CANC & NON-RENEW

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**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

**DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by us. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits the U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

**DISCLOSURE OF PREMIUM**

If you choose to accept this offer of coverage, there will be no additional premium charge for coverage for acts of terrorism during the current term of your policy, nor does your annual premium include any charges for the portion of losses covered by the United States Government under the Act. Should we decide to make a premium charge at any renewal of your policy, for coverage for acts of terrorism, you will be given the opportunity to reject this coverage.

You may choose to reject the offer by signing the **REJECTION STATEMENT** shown on the reverse side of this notice and returning it to us or your agent, and your policy will be written to exclude the described coverage. Please understand that since we are not making a premium charge for this coverage, there will be no return premium should you elect to reject this offer. **Important Note: Connecticut law prohibits the exclusion of coverage for loss by fire or other perils insured against in Condominium Association policies, caused directly or indirectly by terrorism. Therefore, this coverage cannot be rejected on Connecticut Condominium Association policies.**

In Maine, New York and Rhode Island, a terrorism exclusion makes an exception for (and thereby provides coverage for) fire losses resulting from an act of terrorism. Therefore, if your policy is governed by the law of one of these states and you reject the offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism - in other words, coverage for such fire losses will be provided in your policy (if this is a renewal policy, coverage for such fire losses will continue to be provided in your policy).

Should you have any questions concerning this notice, please contact your local Independent Insurance Agent.

VERMONT MUTUAL INSURANCE CO

**REJECTION STATEMENT**

I hereby reject the offer of terrorism coverage. I understand that an **exclusion** of certain terrorism losses will be made part of this policy.

\_\_\_\_\_  
Named Insured(s) Signature(s)

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Date

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
**LIMITED FUNGI OR BACTERIA COVERAGE (PROPERTY)**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM

**SCHEDULE\***

Revised Limit \$ _____
Separate Premises Or Locations Option YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
If YES, describe the separate premises or locations: _____ _____
Business Income/Extra Expense - Revised number of days _____
* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

**A. Fungi Or Bacteria Exclusions**

1. Paragraph A.5.I.(5) of the Increased Cost Of Construction Additional Coverage is replaced by the following:

(5) Under this Additional Coverage, we will not pay for:

(a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or

(b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

2. The following exclusion is added to Paragraph B.1. Exclusions:

**(h) "Fungi", Wet Rot, Dry Rot And Bacteria**

Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria.

But if "fungi", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

(1) When "fungi", wet or dry rot or bacteria result from fire or lightning; or

(2) To the extent that coverage is provided in the Additional Coverage - Limited Coverage For "Fungi", Wet Rot, Dry Rot and Bacteria (contained in the Limited Fungi or Bacteria Coverage) if any, with respect to loss or damage by a cause of loss other than fire or lightning.

3. Paragraph B.2.k.(2) of the Exclusions is replaced by the following:

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

**B. Limited Fungi Or Bacteria Coverage**

1. The following Additional Coverage is added to Paragraph A.5.

**n. Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria**

(1) The coverage described in Paragraphs B.1.n.(2) and B.1.n.(6) only applies when the "fungi", wet or dry rot or bacteria are the result of a "specified cause of loss" other than fire or lightning that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

(2) We will pay for loss or damage by "fungi", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

(a) Direct physical loss or damage to Covered Property caused by "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", wet or dry rot or bacteria;

(b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet or dry rot or bacteria; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet or dry rot or bacteria are present.

(3) Unless a higher limit is selected in Schedule, the coverage described under this Limited Coverage is limited to \$15,000. If the Schedule indicates that the Separate Premises Or Locations Options applies, then the amount of coverage is made applicable to separate premises or locations as described in the Schedule. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungi", wet or dry rot or bacteria, we will not pay more than the total of \$15,000 unless a higher limit is selected in the Schedule even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.

(4) The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungi", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

(5) The terms of this Limited Coverage do not increase or reduce the coverage provided under the Water Damage, Other Liquids, Powder Or Molten Material Damage or Collapse Additional Coverages.

(6) The following applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the suspension of "operations" satisfies all the terms and conditions of the applicable Business Income and/or Extra Expense Additional Coverage.

a. If the loss which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a suspension of "operations", but such suspension is necessary due to loss or damage to property caused by "fungi", wet or dry rot or bacteria, then our payment under the Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days unless another number of days is indicated in the Schedule. The days need not be consecutive.

b. If a covered suspension of "operations" was caused by loss or damage other than "fungi", wet or dry rot or bacteria, but remediation of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days unless another number of days is indicated in the Schedule. The days need not be consecutive.

### C. Fungi Definition

1. The following definition is added to Paragraph H. Property Definitions:

"Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.



5. any criminal or malicious act; or
6. any dishonest or fraudulent act, if judgement against you establishes that either:
  - a. affirmative dishonesty; or
  - b. actual intent to defraud;
 was material to such act.
7. claims arising under statutory or common law relating to the purchase, sale or disposition of securities;
8. claims for salary, compensation or bonuses voted to any insured by your Board of Directors;
9. claims for anything other than money damages;
10. claims 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;
11. claims made against us for sums which are recoverable from you.
12. any actual or alleged error, misstatement, or misleading statement or act or omission, or neglect or breach of duty by you in the discharge of your duties in the capacity as a Builder or Developer, or any matter claimed against you by reason of your being a Builder or Developer.

We shall not be liable to make any payment in connection with any claim made against you based upon or attributable to any actual or alleged conflict of interest, construction/development disputes, self-dealing, and/or any other alleged misconduct of a Builder and/or Developer.

13. claims arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**, including, but not limited to any loss, cost or expense arising out of any:
  - a. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
  - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

**Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

14. claims arising out of the manufacture, mining, use, sale, installation, removal or distribution of or exposure to asbestos, asbestos products, asbestos fibers, or asbestos dust, OR to any obligation by you to indemnify any party because of damages arising out of such claims as a result of the manufacture, mining, use, sale, installation, removal, or distribution of or exposure to asbestos, asbestos products, asbestos fibers, or asbestos dust.
15. any loss, cost or expense arising out of the any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of lead; or any loss, cost or expense arising out any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead.
16. claims arising at or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

17. fines, penalties, punitive damages, exemplary damages, treble damages, or any other damages resulting from the multiplication of compensatory damages.

## LIMITS OF LIABILITY

The following is added to:

Section III - Limits of Insurance (applicable to the General Liability Coverage Part); or

Section D. Liability and Medical Expenses Limits of Insurance (applicable to the Businessowners Liability Coverage Form):

The coverage provided by this endorsement is subject to a separate Each Event and Aggregate limit, which are stated in the Declarations above.

The Limit of Insurance stated in the Declarations above as applicable to "Each Event" is:

1. the total limit of **our** liability for all damages for one or more persons as a result of any one negligent act, error, omission or breach of duty whether committed collectively or individually; and
2. applicable regardless of the number of **insureds**, claims made or suits brought.

**We** will be liable to pay the loss in excess of the \$250 deductible, up to the Each Event limit stated in the Declarations above. The deductible will be paid by **you** and is not to be insured.

The Limit of Insurance stated in the Declarations above as "Aggregate" is, subject to the above provision regarding Each Event, the most **we** will pay during each annual period for all **losses** covered by this endorsement.

If the policy to which this endorsement is attached is canceled or nonrenewed, and **you** elect to purchase the twelve-month extension period, **we** will provide an extended aggregate limit of insurance described in the paragraph below, but only for claims first received and recorded during the extension period.

The aggregate limit of insurance for the extension period will be equal to the dollar amount shown in the Aggregate Limit of Insurance, stated in the Declarations above, in effect at the end of the policy period.

## CONDITIONS

The terms and conditions of this insurance, including those with respect to **our** right to defend any suits seeking damages, apply irrespective of the application of the deductible amount. The following additional conditions apply to this coverage:

1. **You** must notify **us** as soon as practicable of any event that occurs during the policy period and may result in a claim under this endorsement.

Notice of any event however, is not notice of a claim.

2. If **you** cancel or choose not to renew the policy to which this endorsement is attached, **we** will provide coverage for any claim or claims that are made within 60 days after the coverage ends unless **you** elect to purchase the extension of coverage described in the paragraph below.

If the policy to which this endorsement is attached is canceled or nonrenewed by either **you** or **us**, **you** have the right to obtain an extension of coverage for a period of twelve months. **You** must pay an additional premium of 25% of the annual premium for the extension, and **you** must apply for it within 30 days after the date of cancellation or nonrenewal. **We** will then cover claims made during the twelve month extension period, but only with respect to any negligent act, error, omission or breach of duty directly related to the management of the premises that occurred before the date of cancellation or non-renewal.

**All other terms and conditions of this policy apply.**

POLICY NUMBER: BP11033412

BUSINESSOWNERS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ICE DAMMING - WATER DAMAGE DEDUCTIBLE**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS POLICY**

**SCHEDULE\***

Ice - Damming - Water Damage DEDUCTIBLE: \$ 1,000 Per Unit

In consideration of a return premium, any loss or damage caused by water damage to property covered under A.1.a. resulting from thawing of snow, sleet or ice on the building or structure is subject to the Ice Damming - Water Damage Deductible shown in the Declarations or Schedule above. The provisions of this endorsement apply only to those building damages within the confines of the individual condominium units.

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BLANKET INSURANCE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS PROPERTY COVERAGE FORM**

<b>SCHEDULE</b>			
<b>Bldg./Prem. No./No.</b>			<b>Limit of Insurance</b>
ALL / ALL	<input checked="" type="checkbox"/>	Blanket Insurance - Buildings per Statement of Values on file with the Company.	\$ 2,226,000
/	<input type="checkbox"/>	Blanket Insurance - Business Personal Property per Statement of Values on file with the Company.	\$
/	<input type="checkbox"/>	Blanket Insurance - Building and Business Personal Property per Statement of Values on file with the Company.	\$

Paragraph C. 1. **Limits of Insurance** is deleted and replaced by the following:

1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Schedule of this endorsement for the types of property identified with an [X].

Paragraph A. 5. **Additional Coverages**, paragraph I. (6) **Increased Cost of Construction** is deleted and replaced by the following:

- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is

\$5,000. If a damaged buildings(s) is covered under a blanket Limit of Insurance, which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for each damaged building is \$5,000. The amount payable under this Additional Coverage is additional insurance.

All other provisions of the policy apply.

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

**ADDITIONAL PROPERTY NOT COVERED**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM**

The following is added to Property Not Covered if an "X" is shown in the Schedule below:

**SCHEDULE\***

Prem. No.	Bldg. No.	Description of Property
<input checked="" type="checkbox"/>	001	All freestanding garages, storage sheds, barns, gazebos, greenhouses, and other outbuildings which are not specifically listed in the policy Declarations
<input type="checkbox"/>		Awnings or canopies of fabric or slat construction, including their supports
<input type="checkbox"/>		Billboard signs
<input type="checkbox"/>		Bridges, roadways, walks, patios or other paved surfaces
<input type="checkbox"/>		Bulkheads, pilings, piers, wharves or docks
<input type="checkbox"/>		Foundations of buildings, structures, machinery or boilers if their foundations are below (1) The lowest basement floor; or (2) The surface of the ground, if there is no basement
<input type="checkbox"/>		Property of others
<input type="checkbox"/>		Retaining walls that are not part of a building
<input type="checkbox"/>		Stock, meaning merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping
<input checked="" type="checkbox"/>	001	Swimming pools and surrounding platforms and patios
<input type="checkbox"/>		Tenants improvements and betterments
<input type="checkbox"/>		Tennis courts
<input type="checkbox"/>		Underground pipes, flues or drains

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.  
 All other terms and conditions of the policy remain unchanged.

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

## **HIRED AUTO AND NON-OWNED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS POLICY**

#### **SCHEDULE**

<b>Coverage</b>	<b>Additional Premium</b>
Hired Auto Liability	INCLUDED
Non-Owned Auto Liability	INCLUDED

**A.** Insurance is provided only for those coverages for which a specific premium charge is shown in the Declarations or in the Schedule.

#### **1. HIRED AUTO LIABILITY**

The insurance provided under the Businessowners Liability Coverage Form, Paragraph **A.1. Business Liability**, applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

#### **2. NON-OWNED AUTO LIABILITY**

The insurance provided under the Businessowners Liability Coverage Form, Paragraph **A.1. Business Liability**, applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person other than you.

**B.** For insurance provided by this endorsement only:

1. The exclusions, under the Businessowners Liability Coverage Form, Paragraph **B.1. Applicable to Business Liability Coverages**, other than exclusions **a., b., d., f. and i.** and the Nuclear Energy Liability Exclusion, are deleted and replaced by the following:

**a.** "Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

(a) Whether the insured may be liable as an employer or in any other capacity; and

(b) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

(i) Liability assumed by the insured under an "insured contract"; or

(ii) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

**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,

2. WHO IS AN INSURED in the Businessowners Liability Coverage Form, Paragraph C., is replaced by the following:

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

- a. You;
- b. Any other person using a "hired auto" with your permission;
- c. For a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business; and
- d. Any other person or organization, but only for their liability because of acts or omissions of an insured under a., b. or c. above.

None of the following is an insured:

- (1) Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
- (2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;

(3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;

(4) The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee;

(5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. The following additional definitions apply:

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 or borrow. This does not include any "auto" you lease, hire or borrow from any of your "employees" or members of their households, or from any partner or "executive officer" of yours.
3. **"Non-Owned Auto"** means any "auto" you do not own, lease, hire or borrow which is used in connection with your business. However, if you are a partnership, a "non-owned auto" does not include any "auto" owned by any partner.

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

## **AMENDMENT – LIQUOR LIABILITY EXCLUSION – EXCEPTION FOR SCHEDULED ACTIVITIES**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

### **SCHEDULE\***

**Description of Activity(ies):**

NONE

Under Section B. EXCLUSIONS in the Businessowners Liability Coverage Form, exclusion 1.c. is replaced by the following exclusion:

This insurance does not apply to "bodily injury" or "property damage" for which any insured may be held liable by reason of:

- a. Causing or contributing to the intoxication of any person;
- b. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- c. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you:

- (1) Manufacture, sell or distribute alcoholic beverages;
- (2) Serve or furnish alcoholic beverages for a charge whether or not such activity:
  - (a) requires a license;
  - (b) is for the purpose of financial gain or livelihood; or
- (3) Serve or furnish alcoholic beverages without a charge, if a license is required for such activity.

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of the selling, serving or furnishing of alcoholic beverages at the specific activity(ies) described above.

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.