

IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIA

Robert J. Alumbaugh
CLERK OF SUPERIOR COURT

RESTAURANT GROUP)
MANAGEMENT, LLC;) JURY TRIAL DEMANDED
)
ATLANTA'S BEST PATIO, LLC) CIVIL ACTION NO.
f/k/a PEACH STATE)
RESTAURANTS, LLC d/b/a) 20-A-07399-6
EINSTEIN'S;)
)
EAT AT JOE'S, LLC f/k/a)
POLITICAL CONCEPTS d/b/a)
JOE'S ON JUNIPER;)
)
NORTHLAKE ROXX, LLC)
d/b/a HUDSON GRILLE)
TUCKER;)
)
RESTAURANT 104, LLC f/k/a)
VIRGINIA -HIGHLANDS)
RESTAURANT, LLC d/b/a)
HUDSON GRILLE SANDY)
SPRINGS;)
)
RESTAURANT 101, LLC f/k/a)
ATLANTA SPORTS)
RESTAURANT, LLC d/b/a)
HUDSON GRILLE MIDTOWN;)
)
GREAT SPORTS, LLC d/b/a)
HUDSON GRILL KENNESAW;)
)
NORTH POINTE SPORTS,)
LLC., d/b/a HUDSON GRILLE)
NORTH POINT;)
)
RESTAURANT 105, LLC f/k/a)
DOWNTOWN DINING, LLC)
d/b/a HUDSON GRILLE)
DOWNTOWN;)
)

**AMERICA'S BEST BAKERY,
LLC f/k/a MYSTICAL PIZZA,
LLC., d/b/a METROTAINMENT
BAKERY**

**AMERICA'S BEST BAKERY,
LLC f/k/a MYSTICAL PIZZA,
LLC., d/b/a SUGAR SHACK;**

Plaintiffs,

v.

**ZURICH AMERICAN
INSURANCE COMPANY**

Defendant.

**COMPLAINT FOR DECLARATORY JUDGMENT, BREACH OF
CONTRACT & BAD FAITH**

COME NOW the captioned Plaintiffs in the above styled action, and file this their Complaint for Declaratory Judgment, Breach of Contract and Bad Faith, against the captioned defendant, Zurich American Insurance Company, ("Defendant" or "Zurich") and respectfully state their Complaint as follows:

PARTIES, JURISDICTION AND VENUE

1.

Plaintiffs own and operate restaurants or food service establishments in the metropolitan Atlanta area and do business as limited liability companies in Georgia. All plaintiffs are insured under the same commercial property policy issued to the them by Zurich, commercial property Policy No. CPP-0386154-02 (the "Policy") to Restaurant Group Management, LLC and the other plaintiffs, insuring their business locations.

2.

Plaintiff Restaurant Group Management, LLC is a company which provides management and administrative services to the other named Plaintiffs herein and the initial named insured in the Policy.

3.

Plaintiff Atlanta' Best Patio, LLC f/k/a Peach State Restaurants, LLC d/b/a **Einstein's** is located at 1077 Juniper Street, NE, Atlanta, Georgia 30309 and is a named insured under Zurich's policy and shown as schedule location 1 in the Policy.

4.

Plaintiff Eat at Joe's LLC f/k/a Political Concepts, LLC d/b/a **Joe's on Juniper** is located at 1049 Juniper St. NE, Atlanta, Georgia, 30309 and is scheduled location 5 in the Policy.

5.

Plaintiff Northlake Roxx, LLC d/b/a **Hudson Grille Tucker** is located at 2075 Northlake Parkway, Tucker, Georgia 30084 and is scheduled location 16 in the Policy.

6.

Plaintiff Restaurant 104, LLC f/k/a Virginia-Highlands Restaurant, LLC d/b/a **Hudson Grille Sandy Springs** is located at 6317 Roswell Rd., Sandy Springs, Georgia 30328 and is scheduled location 12 in the Policy.

7.

Plaintiff Restaurant 101, LLC f/k/a Atlanta Sports Restaurant, LLC d/b/a **Hudson Grille Midtown** is located at 942 Peachtree Street, NE, Atlanta Georgia 30309 and is scheduled location 8 in the Policy.

8.

Plaintiff Great Sports, LLC d/b/a **Hudson Grille Kennesaw** is located at 2500 Cobb Place Lane, NW, Kennesaw, Georgia 30144 and is scheduled location 14 in the Policy.

9.

Plaintiff North Point Sports, LLC d/b/a **Hudson Grille North Point** is located at 7955 North Point Parkway, Alpharetta, Georgia 30022 and is scheduled location 17 in the Policy.

10.

Plaintiff Restaurant 105, LLC f/k/a Downtown Dining, LLC d/b/a **Hudson Grille Downtown** is located at 120 Marietta Street, NW, Atlanta, Georgia 30303 and is scheduled location 13 in the Policy.

11.

Plaintiff America's Best Bakery, LLC f/k/a Mystical Pizza, LLC d/b/a **Metrotainment Bakery** is located at 1119 Logan Circle, NW, Atlanta, Georgia 30318 and is scheduled location 9 in the Policy.

12.

Plaintiff America's Best Bakery, LLC f/k/a Mystical Pizza, LLC d/b/a **Sugar Shack** is located at 4058 Peachtree Road, N, Suite E, Atlanta, Georgia 30319 and is scheduled location 11 in the Policy.

13.

Defendant is a licensed foreign insurance company organized under the laws of the state of New York with its principal place of business at 1299 Zurich Way, Schaumburg, Illinois. Defendant does business and issues insurance policies in the state of Georgia. Defendant's registered agent for service of process in Georgia is Corporation Service Company located at 40 Technology Parkway South, Suite 300, Norcross (Gwinnett County) Georgia 30092.

14.

Defendant is subject to the jurisdiction and venue of this court pursuant to O.C.G.A. §33-4-1(4). It does business and issues policies throughout Georgia including the one issued to Plaintiffs and is subject to the jurisdiction of this Court among others.

15.

Zurich issued Commercial Property Policy No. CPP-0386154-02 (the "Policy") to Restaurant Group Management, LLC and the other plaintiffs, insuring their business locations in Georgia for the period December 31, 2019 to December 31, 2020. The policy is attached hereto as Exhibit "1", Bates No. RGM000001-145.

16.

The Zurich Policy was issued to the Plaintiffs in Georgia and is a contract subject to construction under Georgia law.

17.

Beginning in March, 2020 and continuing to the present, each of the Plaintiffs began experiencing personal property and business income losses, extra expenses, direct physical losses and damages arising out of the Covid-19 Pandemic. The losses and damages and have been timely noticed to Zurich which, as will be shown hereinafter, has on more than one occasion denied coverage for the claims. There have been losses and damages at each premises scheduled on the Policy for which plaintiffs have sought coverage as set forth more fully hereinafter.

The COVID-19 Pandemic.

18.

COVID-19 is a highly infectious disease caused by a virus, known as the "novel coronavirus" or "SARS-CoV-2." It is believed that the first instance of the disease spreading to humans was in or around December 2019.

19.

In January 2020, this virus and its resulting disease COVID-19 reached the United States and quickly spread across the country. As early as February 26, 2020, the Center for Disease Control and Prevention ("CDC") advised that COVID-19 was spreading freely without the ability to trace the origin of new infections, also known as community transmission.

20.

On March 11, 2020, the World Health Organization ("WHO") declared COVID-19 to be a "pandemic." COVID-19 is highly contagious, uniquely resilient, and deadly. The virus is basically ubiquitous and can be found wherever people congregate. The virus is not visible to the human eye.

21.

The WHO states "[t]he disease spreads primarily from person to person through small droplets from the nose or mouth, which are expelled when a person with COVID-19 coughs, sneezes, or speaks... People can catch COVID-19 if they breathe in these droplets from a person infected with the virus... These droplets can land on objects and surfaces around the person such as tables, doorknobs and handrails. People can become infected by touching these objects or surfaces, then touching their eyes, nose or mouth."¹

22.

According to a published study by Australian researchers from the Australian Agency CSIRO, (Australian Centre for Disease Preparedness) in the Virology Journal #17 [Article 145, October 7, 2020] " With initial viral loads broadly equivalent to the highest titres excreted by infectious patients, viable virus was isolated for **up to 28 days** at 20 °C [68 degrees F.] from

¹ "COVID-19: How is it transmitted ?" World Health Organization (July 9, 2020)
<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/question-and-answers-hub/q-a-detail/q-a-how-is-covid-19-transmitted?gclid=Cj0KCQjw8rT8BRCbARIsALWiOvTSi37XC3RAUg4DQcm>

common surfaces such as glass, stainless steel and both paper and polymer banknotes.”²

23.

A CDC posting from March 27, 2020 reported that SARS-CoV-2 was identified on surfaces of the cabins on board the Diamond Princess cruise ship seventeen (17) days after the cabins were vacated but before they were disinfected. Numerous other scientific studies and articles have identified the persistence of coronavirus on doorknobs, toilets, faucets and other high touch points.³

24.

In a March 4, 2020 research letter published by the Journal of the American Medical Association, scientists from the National Centre for Infectious Disease and the DSO National Laboratories, both in Singapore, found novel coronavirus in the majority of uncleaned hospital rooms that had previously been occupied by patients infected with COVID-19. The researchers concluded that "SARS-CoV-2 through respiratory droplets and fecal shedding suggests the environment as a potential medium of transmission and supports the need for strict adherence to environmental and hand hygiene." See, JAMA April 28, 2020, Vol. 323, No. 16 at pp 1610-1612. <https://jamanetwork.com/journals/jama/fullarticle/2762692>

25.

Via its corporate web pages, Zurich has admitted to the physical dangers associated with the novel coronavirus, advising its customers to rely on the same scientific studies by the New England Journal of Medicine, The Centers for Disease Control, and other authoritative sources concerning how long the virus survives on surfaces and touch points like door handles and

² <https://virologyj.biomedcentral.com/articles/10.1186/s12985-020-01418-7>

³ See, CDC: Public health Responses to Covid-19 Outbreaks on Cruise Ships <https://www.cdc.gov/mmwr/volumes/69/wr/mm6912e3.htm>

counters. Indeed at its website “Coronavirus (Covid-19) Resource Hub” Zurich provides access to numerous articles such as “Navigating a safe transition to the post -COVID-19 workplace” published by its Vice President of Medical Management in June of 2020, which recognizes the need for physical distancing in workplace gathering areas such as conference rooms and cafeterias, and the need to increase distances between desks, using cubicles and other barriers in open areas to reduce the potential for infection. “Elevator buttons, telephones, desktops and keyboards all represent potential vectors of what medical professionals refer to as fomite transmission: the spread of infectious agents through contact with surfaces. We [Zurich] know that while the coronavirus breaks down in 24 hours or less on cardboard and paper products, it can linger for up to three days on nonporous surfaces like metal, plastic and other hard materials. As a result, any hard surfaces in the workplace environment will require frequent cleaning and sanitizing [As shown elsewhere herein, scientific evidence now demonstrates that the virus survives on many different surfaces for four weeks or longer]

See, <https://www.zurichna.com/knowledge/articles/2020/06/navigating-a-safe-transition-to-the-post-covid-19-workplace>.

26.

Zurich’s Risk Engineering Group also recognizes workplace hazard and encourages physical distancing “for preventing disease spread.” It’s guidance for workplaces with high population density includes increased space between employees, frequent cleaning and disinfecting and isolating groups from each other. See, <https://www.zurichna.com/-/media/project/zwp/zna/docs/riskeng/covid/Zurich-Risk-Topic-Workplace-Physical-Distancing.pdf> Implicit in the guidance at Zurich’s website coronavirus research hub, as well as by public health authorities, by

governmental authorities and by Zurich itself is the assumption that the virus is present in every workplace where people congregate, such that specific steps must be taken to prevent its spread.

27.

A particular challenge with the novel coronavirus is that it is possible for a person to be infected with COVID-19, but be asymptomatic. Such seemingly healthy people unknowingly spread the virus via speaking, breathing, and touching objects and surfaces.

28.

While infected droplets and particles carrying COVID-19 may not be visible to the naked eye, they are physical microscopic particles which travel to other objects and cause harm. Habitable surfaces on which COVID-19 has been shown to survive include, but are not limited to, stainless steel, plastic, wood, paper, glass, ceramic, cardboard, and cloth.

29.

Coronavirus (COVID-19) has rapidly spread and continues to spread across the United States. It is a physical substance, human pathogen and can be present outside the human body in viral fluid particles. According to the CDC, everyone is at risk of getting COVID-19.

30.

COVID-19 is spread by a number of methods, including “community spread,” meaning that some people have been infected and it is not known how or where they became exposed. Public health authorities, including the CDC, have reported significant ongoing community spread of the virus including instances of community spread in all 50 states.

31.

The presence of any COVID-19 particles renders items of physical property unsafe and business premises where customers or people

congregate in groups or close proximity unsafe. To combat safety issues, premises and contents have to be altered or changed, regularly disinfected and it is necessary for fewer people to occupy indoor space.

32.

The presence of any COVID-19 particles on physical property at scheduled locations on the policy and people accessing those locations, impairs or limits usefulness of property and/or its normal function.

33.

The presence of COVID-19 particles on any surface or person can and does cause physical loss or damage to person to property at each premises insured under the Policy. The presence of people infected with or carrying COVID-19 particles at a premises renders each premises, including property located at that premises unsafe, resulting in direct physical loss to the premises and damage.

34.

To reduce the spread of the disease, the CDC has recommended that businesses clean and disinfect all surfaces, prioritizing the most frequently touched surfaces. Physical distancing and spacing of people and groups at all workplaces is encouraged and followed at Plaintiffs' premises. The CDC has published data which demonstrates the higher likelihood of virus damage at bars and eating establishments because in that environment people remove masks to eat or drink and further suggests that air circulation and ventilation systems can affect the virus transmission.⁴

35.

The COVID-19 pandemic is a public health crisis that has profoundly impacted American society, including the public's ability to patronize hair

⁴ <https://www.cdc.gov/mmwr/volumes/69/wr/pdfs/mm6936a5-H.pdf> -- US Dept HHS/ CDC MMWR/ Sept. 11, 2020 Vol. 69/ No. 36

salons, barber shops, restaurants, bars and other commercial establishments. Anecdotally, the Wall St. Journal on October 22, 2020 reported that the Notre Dame football team postponed a game with the University of South Florida not because players tested positive from football contact, but because the virus spread to Notre Dame players at a common meal eaten indoors.

36.

The presence of COVID-19 has caused civil authorities, throughout the country including Georgia to issue orders requiring the suspension of business as a wide range of establishments, including those authorities with jurisdiction over plaintiffs' premises.

37.

Notwithstanding the foregoing, as of September 16, 2020 based on testing of a small proportion of the population, there were 6.653 million confirmed coronavirus cases in the United States, resulting in approximately 196,680 reported. In Georgia, also based on limited testing, there were 282,363 confirmed cases and 6,276 deaths attributable to the virus.

38.

Based on the presence of the virus at places such as restaurants operated by plaintiffs where people congregate, public health authorities have suggested and governmental authorities have mandated over time closures of businesses, social distancing at businesses allowed to operate, limitations on tables and chairs, limitations of numbers of occupants, recurrent disinfection procedures, face masks and other procedures which have collectively resulted in loss of business income (including "expense to reduce loss and giving rise to an "extended period of indemnity"), extra expenses and other damages to each premises scheduled on the Zurich policy for which plaintiffs seek recovery herein.

Facts Pertaining to the Pandemic in Georgia.

39.

Georgia's Governor, Brian Kemp declared an "unprecedented" public health emergency on March 14, 2020 and on March 16, 2020 ordered via Executive Orders ("EO"s) that all public schools, colleges, and universities in the state close from March 18, 2020 through the start of April.

40.

In an effort to contain and mitigate the spread of this disease, the Georgia Department of Public Health was told to coordinate with the Georgia Emergency Management and Homeland Security Agency to implement the Centers for Disease Control and Prevention's ("CDC") protocols and guidelines. Pursuant to these Orders and public health concerns, Plaintiffs closed all its locations for periods of at least thirty days in the spring of 2020 and re-openings required physical alterations to various premises including removal of tables and chairs to achieve customer and staff distancing. While masks are repeatedly proclaimed to limit the spread of the virus, they cannot be worn while dining.

41.

On March 23, 2020, Governor Kemp issued another EO, which ordered medically fragile citizens to shelter in place and closed bars while limiting the amount of people at other public locations to ten (10) unless the people could stay six (6) feet apart.

42.

On March 26, 2020, Governor Kemp issued an EO closing public elementary and secondary schools through April 24, 2020. On April 1, 2020, Governor Kemp issued another EO closing the schools for the rest of the school year.

43.

The next day, on April 2, 2002, Governor Kemp issued the “Shelter In Place” Order which officially shut down Plaintiffs’ businesses by the use of the Governor’s Civil Authority to do so in an emergency.

44.

Plaintiffs did not fall within the Critical Infrastructure category and the Shelter in Place Order ordered the cessation of dine-in services for restaurants. These measures were deemed to be required to control the spread of COVID-19 which the CDC said could be transmitted via person to person contact or surface to person contact.

45.

The Shelter in Place Order did not allow business owners such as Plaintiffs to perform any testing to verify or disprove the presence of COVID-19 droplets in their stores.

46.

Pursuant to CDC guidance, the virus could survive on surfaces for various times depending on the physical material that constituted the surface. As shown elsewhere herein through scientific study that period may be twenty-eight days or more.

47.

Essentially, Georgia and public health guidance shut down not only Plaintiffs’ facilities, but also the surrounding stores and businesses because initially a complete shutdown was thought necessary to protect persons and property from damage caused by this virus. This statewide shut down was enforced by the police powers of the state in another EO issued April 3, 2020.

48.

On April 8, 2020, the Public Health State of Emergency was extended until May 13, 2020.

49.

On April 30, 2020, the Public Health State of Emergency was again extended until June 12, 2020.

50.

The restrictions on businesses began to loosen when the Governor issued an EO on May 12, 2020 which allowed limited operations by restaurants under certain circumstances. The restrictions focused on social distancing and extreme sanitation to ensure that the virus was not continuing to damage the restaurant's surfaces or business property. However, the EO also required that restaurants limit capacity by physically removing chairs and/or closing tables, booths, etc. to limit and distance the people at all of the premises. Public health authorities also echoed these limitations and, in many cases, suggested more stringent ones to protect persons from the spread of the virus.

51.

Plaintiffs timely gave notice of their claims and damages to Zurich in March of 2020, which included loss of stock, suspension of operations, spoilage of food, limitations on ingress and egress, civil authority ordered closings, limitations on operations and loss of business income occasioned by the virus, but Zurich denied all claims under the policy. Indeed, Zurich issued statements that it would deny pandemic claims before insureds began reporting them.

Coverage for Plaintiffs' losses under the Zurich Policy.

52.

This action arises out of Defendant's failure to provide insurance coverage. The COVID-19 pandemic and the resulting responses by state and local governments have caused damage to, or direct physical loss of Plaintiffs' personal property because the virus is known to exist on surfaces and in

places where people gather to eat, requiring closure or suspension of operations, removal of table and chairs from facilities and extending distances between and among tables physically limiting seating capacity.

53.

Plaintiffs' operations have been closed or suspended and each of the scheduled locations continue to be subject to physical alteration, reduced capacity, subject to dine out and pick-up services limitations. Suspension of normal operations is a recurrent problem with the pandemic. Beyond health or civil authority mandated reductions in customer capacity, the pandemic has resulted in lost income to plaintiffs. Plaintiff also initially incurred a loss of food and drink products because time limitations for safe usage expired because of suspended operations. All of these losses and expenses are subject to coverage under the policy.

54.

To protect their businesses against suspension of operations or sustained loss or damage for reasons of fortuitous events outside of their control, Plaintiffs purchased commercial property insurance coverage from Defendant. The Policy, attached as Exhibit 1, consists of 145 pages when printed in pdf format, bates labeled RGM000001-145.

55.

Each of the plaintiffs is a named insured as shown of the schedule at RGM000009-10. Each location where losses occurred are scheduled in the policy are shown at RGM0000011-12 of the policy.

56.

The policy includes a "Commercial Property Coverage Part (PPP-0101 (04 19)) et seq. beginning at RGM0000041 of the policy. In the definitions portion of this part, **14. "Covered cause of loss"** (PPP-0103 (08 16)) at RGM0000053 means "fortuitous cause or event, not otherwise excluded,

which actually occurs during this policy period.” **Definition 44. Microorganism** means “any type of ... virus...” The presence of the virus (microorganisms) at each insured location is a covered cause of loss under the business and extra expense forms in the policy (RGM000058).

57.

Following the “Commercial Property Coverage Part” are specific coverage forms. The first of these is “Real and Personal Property Coverage Form” (PPP-0110 (08 16)) found at RGM000070. This form pertains to loss or damage to real property or personal property at a listed premises. This portion of the policy has an exclusion for Microorganisms.

58.

After the “Real and Personal Property Coverage” the “Additional Coverages Form” (PPP-0111(03 14)) beginning at RGM000078. The “additional coverages” in that form policy include the “Additional coverages apply to each of the plaintiffs’ premises per the policy declarations (PPP-0001 (06 06)) found at RGM000033. The additional coverages form **includes** coverage for loss or damage caused by microorganisms (RGM000085) – Coverage #14. This coverage applies to “damage to covered property caused by microorganisms” including the cost of removal (subparagraph a.) and the reasonable cost of testing (subparagraph c.) and if necessary, the cost of tearing out or replacing any part of the covered building (subparagraph b.). The additional coverage for microorganisms overrides or abrogates the earlier exclusionary language for microorganisms in the real and personal property form.

59.

Later forms and the ones covering the largest losses to the plaintiffs are the “Business Income Coverage Form” (Excluding Extra Expense) (PPP-0130 (08 16)) beginning at RGM000121 and the “Extra Expense Coverage

Form,” (PPP-0132 (08 16)) at RGM000130 et seq. The business income coverage form provides coverage for actual loss of business income due to the suspension of operations during the period of restoration and listed “additional coverages” including “1. **Civil Authority** (emphasis added)”, “4. Expense to Reduce Loss,” “5. Extended Period of Indemnity”, “7. Ingress/Egress” and 8. “**Microorganisms**” (emphasis added) among others listed. These listed sources of “additional coverage” make plain that suspension of operations or limitations in seating capacity which result from a governmental order or the presence of microorganisms and which give rise to loss of business income are subject to coverage.

60.

The coverages in the business income form are often linked to a recurring phrase “direct physical loss of or damage to property” at a premises or in some cases to property within a mile of an insured location or premises. The quoted phrase is not defined in the policy. Each scheduled premises which is restaurant has had “direct physical loss” of seating capacity and tables and chairs, as well as property contamination due to the virus. Each scheduled location sustained “damage” due to the virus.

61.

After the business income coverage form is a separate coverage form for “Extra Expense,” (PPP-0132 (08 16)) at RGM000130 et seq. That form provides further coverage for extra expenses related to civil authority orders and ingress/egress among others and expenses incurred to protect property.

62.

The policy’s additional coverages and business income loss provisions often are triggered by the requirement of a “**covered cause of loss.**” “Covered cause of loss” means “a fortuitous cause or event not otherwise excluded, which actually occurs during the policy period. Policy at

RGM000053). The Covid-19 virus is a fortuitous event which first occurred during the period of the policy. It occurred at each “premises” scheduled on the policy.

63.

While the policy provides sub-limits for different causes of loss, those sub-limits are subsumed in the blanket limit of insurance for business income and extra expense at each scheduled location. The blanket limit for any one occurrence at any premises shown in the declarations to have the blanket limit of coverage for business income and extra expense is \$6,522,086.00 (Policy at RGM000032)

64.

The aggregate business income losses of plaintiff's resulting from the pandemic already exceed the sum of \$ 6,522,086.00.

65.

The blanket limit of insurance for business income losses applies separately to each insured premises.

66.

In March of 2020, the Plaintiffs first reported their losses to Zurich, which in the aggregate now exceed the blanket limit for loss of business income and extra expense, even if the blanket limit is construed to apply as an aggregate limit for all premises.” Plaintiffs allege however that the policy’s blanket limit applies to each premises and that the COVID-19 virus permeated each premises, gave rise to a separate occurrence at each premises and thereby gave rise to rise to a separate blanket limit at each premises.

67.

Because the policy excludes coverage for damage or loss occasioned by microorganisms in the Real and Personal Property Coverage form, but

includes it specifically in the Additional Coverages Form and the Business Income Coverage Form, any insured under these policy forms including the plaintiffs have a reasonable expectation that business income losses occasioned by the Covid-19 virus are covered under the policy.

68.

Plaintiffs were forced to suspend or reduce business at their covered premises due to COVID-19 and the ensuing orders issued by civil authorities in Georgia mandating the suspension of business for on-site services to ensure the safety of staff and customers, to prevent further damage and to minimize the suspension of business and resume or continue operations. These actions were also reinforced by warnings and guidance from recognized public health agencies such as WHO and CDC. Each of the specified locations herein were closed for a minimum period of thirty days because of the virus, public health concerns published by public health agencies and restrictions or limitations of access also imposed by civil authorities. Some locations were closed for longer periods and more than one closed permanently.

69.

Defendant has refused to pay its insureds under the Business Income, Extra Expense, Civil Authority, Ingress and Egress, and Extended Period of Indemnity coverages for losses suffered due to COVID-19, including but not limited to business income losses due to executive orders by civil authorities that required the necessary suspension of business, or the physical limitations promoted by public health authorities on insured restaurants to limit or remove tables and chairs to assured distancing of customers. Nor has Defendant paid any expenses incurred to prevent further property damage or to minimize the loss of income arising from suspension of

business or continuing limited operations. Zurich in fact has denied all claims submitted by Plaintiffs under their policy.

70.

Upon information and belief Zurich is routinely denying coverage to all insureds with the same or similar commercial property policies with cookie cutter form denial templates.

71.

In the Business Income (and Extra Expense) Coverage Forms, Zurich also agreed to pay for its insureds' actual loss of Business Income sustained due to the necessary suspension of their operations during the "period of restoration." attributable to a covered cause of loss which the Covid-19 pandemic is. The Business Income Coverage Form also provides for an "extended period of indemnity" and for reimbursement of expense incurred to reduce loss.

72.

The presence of virus or disease has resulted in direct physical loss of or damage to each plaintiff's premises. The insurance industry has recognized since at least 2006 that to exclude loss by virus, so-called "virus" exclusions could be inserted into the policy language. In Zurich's case it addressed this cause of loss by including microorganism coverage in some forms of this policy, but excluding it in others.

73.

The ISO also created a new "amendatory endorsement" to exclude loss due to virus or bacteria from coverage afforded by certain insurance policies. The ISO amendatory endorsement states that there is no coverage for "...loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease" (the "Virus Exclusion") (Attached hereto as Exhibit "4").

This endorsement is not used by Zurich but it achieves that effect by excluding microorganism damage in the real and personal property form in the policy, but Zurich expressly covers loss caused by microorganisms in its business income form. (Policy at RGM000123-124.)

74.

Losses caused by COVID-19 and the related public health guidance as well as orders issued by local, state, and federal authorities minimally triggered the Business Income, Extra Expense, Civil Authority, Extended Period of Indemnity, Expense to Reduce Loss, Ingress and Egress, provisions of Defendant's policy and others which may provide additional sources of coverage.

75.

Since Zurich specifically excluded losses caused by microorganisms in the Real and Personal Property Coverage form, but then specifically included it in the Additional Coverages form and the Business Income form, suggesting that microorganisms such as the Covid-19 virus cannot cause physical loss or damage would render the coverage illusory or meaningless and contrary to the reasonable expectations of any insured.

Plaintiffs' Submitted Notices and Proof of Losses to Zurich and Were Wrongfully Denied Coverage

76.

In March of 2020 Plaintiffs submitted notices of loss to Zurich under its policy due to the presence of COVID-19 and the Closure Orders.

77.

On April 21, 2020, Zurich issued a coverage denial letter misstating or ignoring pertinent provisions of its Policy which clearly affords coverage for loss of business income and purporting to reserve its rights. (Attached hereto

as Exhibit “2”). Zurich asserted that there did not appear to be any claim for “direct physical loss of or damage to property at Restaurant Group Management’s premises” and then invoked the Microorganism exclusion in the “Real and Personal Property “coverage form while ignoring the express Microorganism coverage provided in the “Business Income Coverage Form.”

78.

On July 21, 2020, Restaurant Group Management, LLC on behalf of itself and the other plaintiffs herein issued through counsel a statutory demand letter under O.C.G.A. §33-4-6 demanding a partial payment of the Plaintiffs’ aggregate damages which then exceeded \$4 million, and affording Zurich sixty (60) days to pay the loss as the statute contemplates. (Attached hereto as Exhibit “3”).

79.

The sixty (60) day period allowed under the statute for payment expired on September 19, 2020, and to date, Zurich has not responded to the Plaintiffs’ bad faith demand.

COUNT I- DECLARATORY JUDGMENT

80.

Paragraphs 1 through 79 are hereby adopted and incorporated by reference the same as if those paragraphs were repeated herein verbatim.

81.

O.C.G.A. § 9-4-2 et seq vests in this court the power to adjudicate the rights and obligations of Zurich to its insureds under the policy.

82.

The coronavirus has manifested itself throughout the state of Georgia wherever people congregate in groups. Public health authorities and governmental authorities have caused the suspension or closure of virtually

all non-essential business operations including those of plaintiffs. Implicit in the guidance and directives of these authorities is the assumption that the virus is present in virtually all workplaces and other commercial spaces and can cause loss or damage to persons and property if not contained.

83.

Plaintiffs seek a declaration that the coronavirus is a “microorganism” as defined in the Zurich policy.

84.

Public health guidance and civil authority orders assume that the coronavirus is present in any workplace and other commercial spaces where people gather in groups. In each of plaintiffs’ premises pre-pandemic operations resulted in the presence of groups of people, often in close proximity to each other.

85.

Asymptomatic persons may be infected with the coronavirus without either the person knowing it or plaintiffs knowing it. Unlike conditions at other commercial establishments, masks are not worn while eating or drinking, thereby increasing the likelihood of infection of people and the physical contamination of Plaintiffs’ property.

86.

The presence of the virus in the food service establishments operated by plaintiffs have caused the suspension or cessation of operations, limitations on seating, the loss of stock and the loss of business income at each insured location.

87.

Plaintiffs assert further that each insured restaurant location has sustained the “direct physical loss” of tables, chairs and customers because of the virus. “Direct physical loss” is also an undefined term in the policy and

plaintiffs seek a declaration that they have sustained a “direct physical loss at any location where the premises have been altered to adapt to the coronavirus including the loss of seats, and tables and the use of physical barriers to achieve separation of people at each premises.

88.

Plaintiffs assert further that each insured restaurant location has sustained the “direct physical loss” of tables, chairs and customers because of the virus. “Direct physical loss” is also an undefined term in the policy and plaintiffs seek a declaration that they have sustained a “direct physical loss at any location where the premises have been altered to adapt to the coronavirus including the loss of seats, and tables and the use of physical barriers to achieve separation of people at each premises.

89.

Plaintiffs seek a declaration that a loss of functionality including seating capacity due to the virus or contamination of property by the virus at any insured premises constitutes either a “direct physical loss” or “damage” either of which triggers coverage at each scheduled location under the “Business Income Coverage Form” in the policy (PPP-0130 (08 16)) –Policy at RGM000122 -129.

90.

Plaintiffs seek a further declaration that at least the following additional business income coverages apply to their business income losses: 1. Civil Authority; 4. Expense to Reduce Loss; 5. Extended Period of Indemnity; 7. Ingress/Egress; and 8. Microorganisms.

91.

Plaintiffs seek a further declaration that the “extra expenses” i.e. “operating expenses” incurred at each premises during periods of restoration are covered under the policy pursuant to the “Extra Expense Coverage Form”

(PPP-1032 (08 16)) – Policy at RGM000130-132. This form also covers extra expense arising from a civil authority order or from limitation on ingress/egress at the premises.

92.

Plaintiffs further seek a declaration that any property on the premises at any location which was contaminated by microorganisms i.e. the coronavirus and was altered, damaged, discarded or removed because of the virus is covered under the policy’s “Additional Coverage Form” [PPP 0111 (03 14), Coverage 14. Microorganisms – Policy at RGM000085]. Consequential Loss—Undamaged stock is also applicable coverage under this form.

93.

Finally, plaintiffs seek a declaration that the business income and extra expense forms in the policy are subject to a blanket limit of insurance in the amount of \$6,522,086.00 [PPP-0001 (06 06) – Policy at RGM000032]. This limit is applicable to each premises for any one occurrence. The presence of the virus and the loss or damage caused at each premises represents a separate single occurrence at each premises such that the blanket limit applies to loss or damage at each premises. The blanket limit overrides any sub-limits for specific coverages set forth elsewhere in the policy.

WHEREFORE, plaintiffs seek a declaration that the coverages recited in this count of the complaint apply as shown to the losses and damages as well as the blanket limit of coverage at each insured premises.

COUNT II-BREACH OF CONTRACT

94.

Paragraphs 1 through 93 of this Complaint are adopted and incorporated herein, the same as if restated herein verbatim.

95.

Plaintiffs in March 2020, and again by letter on July 21, 2020, provided Zurich with notice and documentation of their claims, damages and losses at each of the premises

96.

Plaintiffs' documented to Zurich business income and extra expense covered losses on July 21,2020 together with loss of stock and spoilage exceeded \$6,000,000.00 and demanded a partial payment of \$4,000,000.00 towards losses covered by the Policy.

97.

Zurich initially denied Plaintiffs' claims by letter dated April 21, 2020. Zurich's denial of coverage and failure to make any payment towards covered losses constitutes a breach of the policy contract.

98.

Plaintiffs loss of business income due to Zurich's ongoing breach of contract by refusing to reimburse its pandemic related business income and other losses are continuing, now exceed \$ 6 million and the total amount of covered losses increases each month.

WHEREFORE, Plaintiffs demand damages for breach of contract for its losses covered under the Policy which to date exceed the sum of \$6 million and are continuing together with such additional costs and expenses subject to coverage under the Policy.

COUNT III-BAD FAITH

99.

Paragraphs 1 through 98 are hereby incorporated by reference, the same as if fully restated verbatim herein.

100.

Georgia has a bad faith statute located at O.C.G.A. §33-4-6.

101.

On July 21, 2020, plaintiffs through their counsel issued a demand for partial payment of their business income losses in the amount of \$4 million and attached a spreadsheet showing the business income losses at each location.

102.

Zurich failed to tender the payment demanded within sixty days of the letter. Plaintiffs allege that Zurich has acted in bad faith and therefore is obligated to pay the partial loss demanded (\$4 million plus up to a 50% penalty (\$2 million) and reasonable attorneys' fees and the expenses of this action.

WHEREFORE, Plaintiffs demand judgement on this Count of the Complaint for payment of their actual damages and losses which exceed \$ 4 million plus a penalty of \$ 2 million and reasonable attorneys' fees and expenses of this action.

Plaintiffs reiterate their prior demand for recovery under Count II of the Complaint and pray for the Court declare Zurich's coverage obligations as demanded in Count I of the Complaint. Plaintiffs further pray for a trial by jury to the extent that the Court determines there any issues of fact for a jury's determination. Plaintiffs reserve the right to amend their claims for damages as those damages continue to be incurred as the pandemic continues to limit their operations resulting in ongoing losses of incomer. Plaintiffs further pray for such other and further relief as may be appropriate with respect to their claims.

Respectfully submitted this 3rd day of November, 2020.

LINDSEY & LACY, PC

/s/ J. Robert Persons

/s/ W. Thomas Lacy

J. Robert Persons
Georgia Bar No. 573400
W. Thomas Lacy, Jr.
Georgia Bar No. 431032

200 Westpark Drive, Suite 280
Peachtree City, Georgia 30269
Phone: (770) 486-8445
Fax: (770) 486-8889
tlacy@llptc.com
Attorney for Plaintiffs

Insured Name: RESTAURANT GROUP MANAGEMENT, LLC
Policy Number: CPP 0386154-02
Effective Date: 12/31/2019



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.
DISCLOSURE OF IMPORTANT INFORMATION
RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA: Property Portfolio Protection	\$716.00
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*Any 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 ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

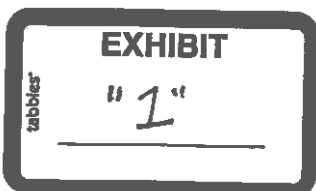
- January 1, 2015 – December 31, 2015 federal share: 85%
- January 1, 2016 – December 31, 2016 federal share: 84%
- January 1, 2017 – December 31, 2017 federal share: 83%
- January 1, 2018 – December 31, 2018 federal share: 82%
- January 1, 2019 – December 31, 2019 federal share: 81%
- January 1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer 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 Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.



E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.



ZURICH

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name RESTAURANT GROUP MANAGEMENT, L	Policy Number CPP 0386154-02	Effective Date 12/31/2019	Endorsement Number
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THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

**WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.**

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



ZURICH

COMMERCIAL INSURANCE

COMMON POLICY DECLARATIONS

Policy Number CPP 0386154-02 Renewal of Number CPP 0386154-01

Named Insured and Mailing Address
RESTAURANT GROUP MANAGEMENT,
(SEE NAMED INSURED ENDT)
1119 LOGAN CIR
ATLANTA GA 30318

Producer and Mailing Address
PRITCHARD & JERDEN INC
950 E PACES FERRY RD NE STE
2000
ATLANTA GA 30326-1384

Producer Code 28627-000

Policy Period: Coverage begins 12-31-2019 at 12:01 A.M.; Coverage ends 12-31-2020 at 12:01 A.M.

The name insured is [] Individual [] Partnership [] Corporation
[X] Other: LIMITED LIABILITY COMPANY

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION
issued by ZURICH AMERICAN INSURANCE COMPANY

PREMIUM \$ 40,339.00

THIS PREMIUM MAY BE SUBJECT TO AUDIT.
This premium does not include Taxes and Surcharges.

TOTAL \$ 40,339.00

Taxes and Surcharges

TOTAL \$

The Form(s) and Endorsement(s) made a part of this policy at the time of issue are listed on the SCHEDULE of FORMS and ENDORSEMENTS.

Countersigned this day of

Authorized Representative

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

Policy Number
CPP 0386154-02

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured RESTAURANT GROUP MANAGEMENT,

Effective Date: 12-31-19

12:01 A.M., Standard Time

Agent Name PRITCHARD & JERDEN INC

Agent No. 28627-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-630-D CW	01-15	DISCLOSURE OF INFO RELATING TO TRIA
U-GU-767-B CW	01-15	CAP ON LOSS FROM CERTIFIED ACTS OF TERR
U-GU-D-310-A	01-93	COMMON POLICY DECLARATIONS
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-621-A CW	10-02	SCHEDULE OF NAMED INSURED(S)
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 02 62	02-15	GEORGIA CHANGES-CANC & NONRENL
IL 00 03	09-08	CALCULATION OF PREMIUM
U-GU-1191-A CW	03-15	SANCTIONS EXCLUSION ENDORSEMENT

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0101	04-19	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	08-16	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	08-16	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	08-16	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	03-14	ADDITIONAL COVERAGES FORM
PPP-0112	08-16	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	08-16	FINE ARTS COVERAGE FORM
PPP-0115	03-14	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	08-16	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-14	TRANSIT COVERAGE FORM
PPP-0130	08-16	BUS INC COVG FORM (EXCL EXTRA EXPENSE)
PPP-0132	08-16	EXTRA EXPENSE COVERAGE FORM
PPP-0229	06-06	WIND & HAIL EXCLUSION -- DD & TE
PPP-0302	03-14	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-0310	08-16	FLOOD COVERAGE
PPP-0502	03-14	LOSS PAYABLE PROVISIONS
PPP-1101	06-06	GEORGIA CHANGES



ZURICH

Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

Policy Number
CPP 0386154-02

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured RESTAURANT GROUP MANAGEMENT,

Effective Date: 12-31-19
12:01 A.M., Standard Time

Agent Name PRITCHARD & JERDEN INC

Agent No. 28627-000

NAMED INSURED

RESTAURANT GROUP MANAGEMENT, LLC
NORTHPOINTE SPORTS, LLC

ATLANTA SOCCER RUGBY, LLC DBA HUDSON FC

NORTHLAKE ROXX, LLC DBA HUDSON GRILLE TUCKER
181-183 12TH ST, LLC

EAT AT JOE'S, LLC DBA JOE'S ON JUNIPER

TOTAL HOSPITALITY, LLC

ATLANTA'S BEST PATIO, LLC DBA EINSTEIN'S

GREAT SPORTS, LLC DBA HUDSON GRILLE KENNESAW

DOWNTOWN DINING, LLC DBA HUDSON GRILLE DOWNTOWN

VIRGINIA-HIGHLANDS RESTAURANT, LLC DBA HUDSON GRILLE SANDY SPRINGS

GREAT CATERING, LLC DBA EPIC EVENTS

1053 JUNIPER STREET ASSOCIATES, LLC

1043 JUNIPER STREET ASSOCIATES, LLC

ATLANTA SPORTS RESTAURANT, LLC DBA HUDSON GRILLE

BROOKHAVEN RESTAURANT, LLC DBA HUDSON GRILLE

ALPHARETTA RESTAURANTS, LLC DBA HUDSON GRILLE

1023-1027 JUNIPER STREET ASSOCIATES, LLC

1081-1077 JUNIPER STREET ASSOCIATES, LLC

1049 JUNIPER STREET ASSOCIATES, LLC

1069 JUNIPER ASSOCIATES, LLC

POLITICAL CONCEPTS, LLC DBA JOE'S ON JUNIPER

MYSTICAL PIZZA, LLC DBA METROTAINMENT BAKERY

PEACH STATE RESTAURANTS, LLC DBA EINSTEIN'S

1057 JUNIPER ASSOCIATES, LLC

METROTAINMENT CAFES, LLC

LRJ HOLDINGS, LLC

LBA HOLDINGS, LLC

U-GU-621-A CW (10/02)

RGM000009

Policy Number
CPP 0386154-02

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured RESTAURANT GROUP MANAGEMENT,

Effective Date: 12-31-19
12:01 A.M., Standard Time

Agent Name PRITCHARD & JERDEN INC

Agent No. 28627-000

NAMED INSURED

JPBT HOLDING, LLC

STEAKS, LLC DBA COWTIPPER'S

942/952 PEACHTREE, LLC

Policy Number
CPP 0386154-02

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured RESTAURANT GROUP MANAGEMENT,

Effective Date: 12-31-19
12:01 A.M., Standard Time

Agent Name PRITCHARD & JERDEN INC

Agent No. 28627-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	1073 JUNIPER ST NE 1073, 1077, 1081 ATLANTA, GA 30309	
005	001	1043 JUNIPER ST NE 1043, 1049 ATLANTA, GA 30309	
007	001	4030 PEACHTREE RD NE 4030, 4046 ATLANTA, GA 30319	
008	001	942 PEACHTREE ST NE ATLANTA, GA 30309	
009	001	1119 LOGAN CIR NW ATLANTA, GA 30318	
010	001	1053 JUNIPER ST NE ATLANTA, GA 30309	
011	001	4058 N PEACHTREE RD STE E ATLANTA, GA 30341	
012	001	6317 ROSWELL RD NE SANDY SPRINGS, GA 30328	
013	001	120 MARIETTA ST NW ATLANTA, GA 30303	
014	001	2500 COBB PLACE LN NW KENNESAW, GA 30144	
015	001	2950 NEW PACES FERRY RD SE ATLANTA, GA 30339	
016	001	2075 NORTHLAKE PKWY TUCKER, GA 30084	

U-GU-618-A CW (10/02)

RGM000011

Policy Number
CPP 0386154-02

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured RESTAURANT GROUP MANAGEMENT,

Effective Date: 12-31-19
12:01 A.M., Standard Time

Agent Name PRITCHARD & JERDEN INC

Agent No. 28627-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
017	001	7955 NORTHPOINT PKWY ALPHARETTA, GA 30022	
019	001	952 PEACHTREE ST NE UNIT CU1 ATLANTA, GA 30309	

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph A.1. of the Cancellation Common Policy Condition is replaced by the following:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation stating a future date on which the policy is to be cancelled, subject to the following:
 - a. If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.
 - b. If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days' notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

- (1) 10 days from the date of mailing or delivering our notice; or
- (2) The effective date of cancellation stated in the first Named Insured's notice to us.

B. Paragraph A.5. of the Cancellation Common Policy Condition is replaced by the following:

5. Premium Refund

- a. If this policy is cancelled, we will send the first Named Insured any premium refund due.
- b. If we cancel, the refund will be pro rata, except as provided in c. below.
- c. If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.
- d. If the first Named Insured cancels, the refund may be less than pro rata.
- e. The cancellation will be effective even if we have not made or offered a refund.

C. The following is added to the **Cancellation Common Policy Condition** and supersedes any other provisions to the contrary:

If we decide to:

1. Cancel or nonrenew this policy; or
2. Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or
3. Change any policy provision which would limit or restrict coverage;

then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address known to us. Except as applicable as described in Paragraph D. or E. below, we will mail or deliver notice at least:

- a. 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
- c. 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

D. The following provisions apply to insurance covering residential real property only provided under the:

Capital Assets Program (Output Policy) Coverage Part;

Commercial Property Coverage Part;

Farm Coverage Part;

if the named insured is a natural person.

With respect to such insurance, the following is added to the **Cancellation Common Policy Condition** and supersedes any provisions to the contrary except as applicable as described in Paragraph E.:

1. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by notifying the first Named Insured at least 10 days before the date cancellation takes effect.

2. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:

- a. Nonpayment of premium, whether payable to us or to our agent;
- b. Upon discovery of fraud, concealment of a material fact, or material misrepresentation made by or with the knowledge of any person insured under this policy in obtaining this policy, continuing this policy or presenting a claim under this policy;
- c. Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
- d. Upon the violation of any of the material terms or conditions of this policy by any person insured under this policy.

We may cancel by providing notice to the first Named Insured at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any of the reasons listed in b., c. or d. above.

E. With respect to a policy that is written to permit an audit, the following is added to the **Cancellation Common Policy Condition**:

If you fail to submit to or allow an audit for the current or most recently expired term, we may cancel this policy subject to the following:

1. We will make two documented efforts to send you and your agent notification of potential cancellation. After the second notice has been sent, we have the right to cancel this policy by mailing or delivering a written notice of cancellation to the first Named Insured at least 10 days before the effective date of cancellation, but not within 20 days of the first documented effort.
2. If we cancel this policy based on your failure to submit to or allow an audit, we will send the written notice of cancellation to the first Named Insured at the last known mailing address by certified mail or statutory overnight delivery with return receipt requested.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.



ZURICH

SANCTIONS EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS
1073, 1077, 1081 JUNIPER ST NE
ATLANTA, GA 30309

COVERAGE

REAL PROPERTY
PERSONAL PROPERTY
BUSINESS INCOME AND EXTRA EXPENSE

LIMIT OF INSURANCE

INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE

MORTGAGE HOLDER:

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30305



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	PREMISES ADDRESS
5	1043, 1049 JUNIPER ST NE ATLANTA, GA 30309

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

MORTGAGE HOLDER:

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30305



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES # 7

PREMISES ADDRESS
4030, 4046 PEACHTREE RD NE
ATLANTA, GA 30319

COVERAGE

LIMIT OF INSURANCE

REAL PROPERTY
PERSONAL PROPERTY
BUSINESS INCOME AND EXTRA EXPENSE

NOT COVERED
INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES # 8	PREMISES ADDRESS 942 PEACHTREE ST NE ATLANTA , GA 30309
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COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

MORTGAGE HOLDER:

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30305



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	9	PREMISES ADDRESS
		1119 LOGAN CIR NW
		ATLANTA, GA 30318

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
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MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	10	PREMISES ADDRESS
		1053 JUNIPER ST NE
		ATLANTA , GA 30309

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
PERSONAL PROPERTY	NOT COVERED
BUSINESS INCOME	NOT COVERED

MORTGAGE HOLDER:

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30305



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	11	PREMISES ADDRESS
		4058 N PEACHTREE RD STE E ATLANTA, GA 30341

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK
3490 PIEDMONT RD NE STE 1550
ATLANTA, GA 30305



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
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POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES # 12

PREMISES ADDRESS
6317 ROSWELL RD NE
SANDY SPRINGS, GA 30328

COVERAGE

LIMIT OF INSURANCE

REAL PROPERTY
PERSONAL PROPERTY
BUSINESS INCOME AND EXTRA EXPENSE

NOT COVERED
INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

FIDELITY BANK
3490 PIEDMONT RD NE STE 1550
ATLANTA, GA 30305



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
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MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	13	PREMISES ADDRESS
		120 MARIETTA ST NW
		ATLANTA, GA 30303

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
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MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	14	PREMISES ADDRESS
		2500 COBB PLACE LN NW KENNESAW , GA 30144

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES # 15

PREMISES ADDRESS
2950 NEW PACES FERRY RD SE
ATLANTA, GA 30339

COVERAGE

LIMIT OF INSURANCE

REAL PROPERTY
PERSONAL PROPERTY
BUSINESS INCOME AND EXTRA EXPENSE

NOT COVERED
INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	PREMISES ADDRESS
16	2075 NORTHLAKE PKWY TUCKER, GA 30084

COVERAGE

REAL PROPERTY
PERSONAL PROPERTY
BUSINESS INCOME AND EXTRA EXPENSE

LIMIT OF INSURANCE

INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE
INCLUDED IN BLANKET LIMIT OF INSURANCE

MORTGAGE HOLDER:

COMERICAL BANK
PO BOX 863299
PLANO, TX 75086

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801

COMERICAL BANK
PO BOX 863299
PLANO, TX 75086



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	17	PREMISES ADDRESS	
			7955 NORTHPOINT PKWY ALPHARETTA, GA 30022

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE
FLOOD (SCHEDULE I)	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 25,000

LOSS PAYEE: (LOSS PAYABLE)

GREATAMERICA FINANCIAL SVC
P.O. BOX 979280
MIAMI, FL 33197

NATIONAL RETAIL PROPERTIES, INC.
450 S ORANGE AVENUE, STE 900
ORLANDO, FL 32801



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

SUMMARY OF PREMISES

PREMISES #	19	PREMISES ADDRESS	
			952 PEACHTREE ST NE UNIT CU1 ATLANTA, GA 30309

COVERAGE	LIMIT OF INSURANCE
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE

SPECIAL CONDITIONS

PPP-0229, WIND AND HAIL EXCLUSION- -DIRECT DAMAGE AND TIME ELEMENT,
DOES NOT APPLY.

MORTGAGE HOLDER:

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348

LOSS PAYEE: (LOSS PAYABLE)

FIDELITY BANK, ISAOA ATIMA
PO BOX 105075
ATLANTA, GA 30348



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

BLANKET LIMITS OF INSURANCE

REAL PROPERTY AND PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE \$ 13,106,000

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all "real property" and "personal property" at "premises" for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If "real property" or "personal property" coverage does not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises". If a more specific Limit of Insurance is shown for "real property" or "personal property" at a "premises", that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE \$ 6,522,086

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of "business income" and "extra expense" at "premises" for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If "business income" or "extra expense" coverage does not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises". If a more specific Limit of Insurance is shown for "business income" or "extra expense" at a "premises", that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
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POLICY NUMBER: CPP 0386154-02

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Additional Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
CIVIL AUTHORITY	
BUSINESS INCOME	30 DAYS
EXTRA EXPENSE	30 DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$ 25,000 PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$ 250,000 PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$ 250,000 PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$ 25,000 PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$ 25,000 PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY	COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$ 250,000 PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$ 2,500 PER OCCURRENCE
DEFERRED PAYMENTS	\$ 50,000 PER OCCURRENCE



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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RESTAURANT GROUP MANAGEMENT, LLC

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MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Additional Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
DEPENDENT BUSINESS INCOME-- UNSCHEDULED LOCATIONS	\$ 250,000 PER OCCURRENCE
ELECTRONIC VANDALISM	
DIRECT DAMAGE	\$ 25,000 ANNUAL AGGREGATE
BUSINESS INCOME	\$ 25,000 ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$ 25,000 PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME	COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME	180 DAYS
EXTRA EXPENSE	\$ 25,000 PER PREMISES
FAIRS OR EXHIBITIONS	
PERSONAL PROPERTY	\$ 50,000 PER OCCURRENCE
BUSINESS INCOME	\$ 10,000 PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$ 250,000 PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS	COVERED



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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RESTAURANT GROUP MANAGEMENT, LLC

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ADDITIONAL COVERAGES – LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Additional Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
INFLATION GUARD	
REAL PROPERTY	4 % ANNUAL
PERSONAL PROPERTY	4 % ANNUAL
INGRESS/EGRESS	
BUSINESS INCOME	30 DAYS
EXTRA EXPENSE	30 DAYS
LOCK AND KEY REPLACEMENT	\$ 25,000 PER PREMISES
MICROORGANISMS	\$ 25,000 ANNUAL AGGREGATE
MICROORGANISMS–BUSINESS INCOME	\$ 25,000 ANNUAL AGGREGATE
NEWLY ACQUIRED PREMISES	
REAL PROPERTY	\$ 1,000,000 FOR 180 DAYS
PERSONAL PROPERTY	\$ 1,000,000 FOR 180 DAYS
BUSINESS INCOME	\$ 250,000 FOR 180 DAYS
EXTRA EXPENSE	\$ 25,000 FOR 180 DAYS
	THE ABOVE LIMITS APPLY SEPARATELY TO EACH NEWLY ACQUIRED PREMISES.
NEWLY ACQUIRED PROPERTY	
REAL PROPERTY	\$ 250,000 PER PREMISES FOR 180 DAYS
PERSONAL PROPERTY	\$ 250,000 PER PREMISES FOR 180 DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

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POLICY NUMBER: CPP 0386154-02

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Additional Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
OFF-PREMISES SERVICE INTERRUPTION-- DIRECT DAMAGE	\$ 100,000 PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS	\$ 250,000 PER PREMISES \$ 5,000 PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL-- LAND AND WATER	\$ 25,000 ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY	180 DAYS
PROFESSIONAL FEES	\$ 25,000 PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES	
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	NOT COVERED
BUSINESS INCOME	NOT COVERED
EXTRA EXPENSE	NOT COVERED
REWARD PAYMENTS	\$ 25,000 PER OCCURRENCE
SALESPERSONS SAMPLES	\$ 25,000 PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$ 100,000 PER PREMISES



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

ADDITIONAL COVERAGES -- LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Additional Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
THEFT DAMAGE TO BUILDINGS	COVERED
UNREPORTED PREMISES	
REAL PROPERTY	\$ 100,000 PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$ 100,000 PER UNREPORTED PREMISES
BUSINESS INCOME	\$ 10,000 PER UNREPORTED PREMISES
EXTRA EXPENSE	\$ 10,000 PER UNREPORTED PREMISES



ZURICH

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
From: 12/31/2019 To: 12/31/2020
12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS

POLICY NUMBER: CPP 0386154-02

MARINE COVERAGE -- LIMITS OF INSURANCE

Limits of Insurance applicable at a "premises" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "premises". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "premises". If any Marine Coverages do not apply at any specific "premises", the Limit of Insurance will show as Not Covered for those "premises".

COVERAGE	LIMIT OF INSURANCE
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$ 250,000 PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS) – AWAY FROM PREMISES	\$ 250,000 PER OCCURRENCE
FINE ARTS	\$ 25,000 PER PREMISES
FINE ARTS – AWAY FROM PREMISES	\$ 25,000 PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY STOCK TO BE INSTALLED	\$ 25,000 PER OCCURRENCE - INSTALLATION PREMISES
	\$ 25,000 PER OCCURRENCE - TEMPORARY STORAGE LOCATION
	\$ 25,000 PER OCCURRENCE - TRANSIT
TOOLS AND EQUIPMENT	
SCHEDULED EQUIPMENT	NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$ 1,000 PER ANY ONE ITEM
	\$ 10,000 PER OCCURRENCE
<p>Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.</p>	
ORIGINAL INFORMATION PROPERTY	\$ 250,000 PER PREMISES
ORIGINAL INFORMATION PROPERTY – AWAY FROM PREMISES	\$ 250,000 PER OCCURRENCE
TRANSIT	
PERSONAL PROPERTY	\$ 25,000 PER OCCURRENCE
BUSINESS INCOME	\$ 10,000 PER OCCURRENCE

Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

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DEDUCTIBLES

GENERAL DEDUCTIBLES

PROPERTY DEDUCTIBLE: \$ 5,000 PER OCCURRENCE

The above deductible applies to all loss, damage, cost, or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

BUSINESS INCOME AND EXTRA EXPENSE WAITING PERIOD: 24 HOURS

The above waiting period applies to all loss or expense covered by Business Income and Extra Expense coverages contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

CATASTROPHE PERIL DEDUCTIBLES:

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by "flood" is subject to separate deductible amounts. The deductibles applicable to "flood" are stated in the Summary of Premises section of this Declarations for that specific "premises". If the Flood coverage applies to loss or damage at "reported unscheduled premises", the deductible amounts for "reported unscheduled premises" are stated on the Catastrophe Coverage – Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
RESTAURANT GROUP MANAGEMENT, LLC

POLICY PERIOD:
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CATASTROPHE COVERAGE -- LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those "premises" that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at "reported unscheduled premises", those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMITS OF INSURANCE AND DEDUCTIBLES

FLOOD (SCHEDULE I)

PREMISES
OCCURRENCE
ANNUAL AGGREGATE
DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION
\$ 1,000,000
\$ 1,000,000
SEE SUMMARY OF PREMISES SECTION



ZURICH

Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a. Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b. Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and vice versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a

Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately. Except for covered loss or damage due to **"earth movement"**, **"flood"**, or **"named storm"**, or to wind or hail when a separate Wind Deductible or Wind and Hail Deductible is applicable, the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**.

Loss or damage to Covered Property caused by **"earth movement"**, **"flood"**, **"named storm"**, water damage, theft and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Wind Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.



Commercial Property Conditions

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Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the "actual cash value" and "replacement cost". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage, including a description of the property involved.
 - c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a "covered cause of loss". Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, "member", director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

1. All of its terms have been fully complied with; and
2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:
 - a. Pay the amount of the loss or damage;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. If we elect to exercise option 1.c. with respect to any branded or labeled "**merchandise**" or "**finished stock**", you may:
 - a. Stamp salvage on the "**merchandise**" or "**finished stock**", or its containers, if the stamp will not physically damage the "**merchandise**" or "**finished stock**"; or
 - b. Remove the brands or labels, if doing so will not physically damage the "**merchandise**" or "**finished stock**". You must relabel the "**merchandise**" or "**finished stock**", or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.

3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.

7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to "personal property of others" may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. If you have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in Paragraph 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions); and
 - b. Puerto Rico.
3. When this Commercial Property Coverage Part provides coverage for property in transit:
 - a. The coverage territory is extended to Canada for property in transit as long as the origin or destination is included in 2. above, except when property is being transported by a vessel.
 - b. The coverage territory is extended to everywhere else in the world for property while being transported by an aircraft, as long as either the origin or destination is included in 2. above and neither the origin nor the destination is in any country upon which the United States government has imposed sanctions, embargoes or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.
6. For the Fairs or Exhibitions Additional Coverage, the Coverage Territory is extended to Canada.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:
 - a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
 - a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be "**suspended equipment**" when the property is found to be in, or exposed to, a dangerous condition, provided we have:

1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as "**suspended equipment**"; and
2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of "**suspended equipment**" can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of "**suspended equipment**" will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of "**suspended equipment**" will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:

- a. Someone insured under this Commercial Property Coverage Part;
- b. A business firm owned or controlled by you;
- c. A business firm, or an individual, that owns or controls you; or
- d. Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

1. We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
2. We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
3. We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, ordinances, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**; plus
 - b. **"Continuing expenses"**.

6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
- b. Seasonal activity planned in advance;
- c. Schedule delays due to weather; or
- d. Labor actions beyond your control.

7. **"Cloud facility"** means a data center(s) owned and operated by others whom you depend on to provide **"information technology services"**.

8. **"Computer systems"** means:

- a. Computer hardware, software, and electronic data;
- b. Input and output devices;
- c. Data storage devices;
- d. Networking equipment and components;
- e. Firmware; and
- f. Electronic backup facilities, including systems accessible through the internet, intranets, or virtual private networks.

9. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.

10. **"Continuing expenses"** means:

- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
- b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.

"Continuing expenses" does not mean:

- a. **"Extra expense"**;
- b. Expediting expense;
- c. **"Research and development continuing expenses"**;

- d. Any charges or expenses that do not necessarily continue during the "period of restoration" or "extended period of indemnity"; or
- e. Bad debts.

11. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, "managers", "members", or employees (including leased or temporary employees).

12. **"Contractor's equipment"** means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,
owned by you or owned by others in your care, custody, or control.

"Contractor's equipment" does not mean:

- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. Temporary or permanent forms, shoring, scaffolding, or falsework;
- e. **"Contractor's employees' property"**; or
- f. Recreational watercraft.

13. **"Contributing locations"** means locations owned and operated by others who:

- a. You depend on to deliver materials or services directly to you, or to others under your contract of sale; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

"Contributing locations" does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **"Manufacturing locations"**.

14. **"Covered cause of loss"** means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

"Covered cause of loss" does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or

b. **Damage.**

15. **"Defective materials"** means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

16. **"Denial of service"** means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

17. **"Dependent premises"** means the following types of locations:

- a. **"Contributing locations";**
- b. **"Recipient locations";**
- c. **"Manufacturing locations";** and
- d. **"Leader locations".**

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

"Dependent premises" does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

18. **"Duplicate information property"** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Duplicate information property" does not mean:

- a. **"Stock";**
- b. **"Fine arts";**
- c. **"Money";**
- d. **"Securities";** or
- e. **"Electronic data processing hardware".**

19. **"Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

20. **"Electronic data processing hardware"** means:

- a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;
- b. Telephone equipment; or

c. Facsimile equipment.

"Electronic data processing hardware" does not mean computers, devices, or components which:

- a. Exist primarily to control or operate machinery or equipment or to produce "stock in process" or "finished stock"; or
- b. Are "stock".

21. "Electronic vandalism" means:

- a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of "accounts receivable records", "duplicate information property", "electronic data processing hardware", "original information property", or "research and development property";
- b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of "electronic data processing hardware" and may destroy, alter, contaminate, or compromise the integrity, quality, or performance of "accounts receivable records", "duplicate information property", "electronic data processing hardware", "original information property", or "research and development property";
- c. Unauthorized viewing, copying, or use of any electronic "accounts receivable records", "duplicate information property", "original information property", or "research and development property"; and
- d. "Denial of service".

22. "Equipment breakdown cause of loss" means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;
- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

23. "Extended period of indemnity" means the period of time that begins on the date the "period of restoration" ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity-- Business Income to the date the "period of restoration" ended.

"Extended period of indemnity" does not mean **"research and development extended period of indemnity"**.

24. **"Extra expense"** means operating expenses you incur during the **"period of restoration"** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **"suspension"** of or to continue those **"operations"** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **"period of restoration"**.

"Extra expense" does not mean:

- a. Costs incurred to purchase **"merchandise"** as a replacement for your **"finished stock"**;
 - b. **"Continuing expenses"** or **"research and development continuing expenses"**;
 - c. Costs to repair, rebuild, or replace any property, or research or restore **"original information property"**; or
 - d. Amounts incurred on financing or investment activity conducted for your own account.
25. **"Fine arts"** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.

26. **"Finished stock"** means **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale.

"Finished stock" does not mean **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.

27. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:

- a. The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - b. Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.

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

29. **"Goods you have manufactured"** means:

- a. Goods manufactured at a location you own or operate; and
- b. Goods manufactured at a location that you do not own or operate, provided:
 - 1) You contracted for the goods to be manufactured exclusively for you; and
 - 2) You are the owner or licensee of the design, patent, trademark, or copyright for the goods.

30. **"Green roofing systems"** means environmentally friendly roof coverings as defined by the LEED® Green Building Rating System™ of the U.S. Green Building Council or any other trees, shrubs, plants, grass, or lawns and other landscaping materials which are part of a vegetated roof.

31. **"Gross leasehold interest"** means:

- a. The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
- b. The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.

Example:

Monthly rental value of your leased "premises" :	\$1,000
Monthly rent including taxes, insurance, janitorial, or other services that you pay for as part of the rent:	- \$700
"Gross leasehold interest"	\$300

32. **"Improvements and betterments"** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you or for which you are legally required by written contract to insure; and
- c. Which you cannot remove legally.

33. **"Information technology services"** means technology services provided under a written contract consisting of:

- a. Maintaining, managing, or controlling **"computer systems"**;
- b. Hosting or facilitating your internet website or web application(s); and
- c. Other related technology services.

"Information technology services" does not mean video, voice, or data communication services.

34. **"Installation property"** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **"installation or service premises"**.

"Installation property" does not mean **"landscaping materials"** or land.

35. **"Installation or service premises"** means a location that is not owned, leased, or operated by you, at which you are installing, constructing, or servicing property.

"Installation or service premises" does not mean a **"rigging premises"**.

36. **"Landscaping materials"** means trees, shrubs, plants, grass, lawns, and other landscaping materials, including **"green roofing systems"** owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **"installation or service premises"**.

"Landscaping materials" does not mean trees, shrubs, plants, grass, lawns, or other landscaping materials or "green roofing systems" that exist as a permanent part of an "installation or service premises" prior to the start of the project.

37. "Leader locations" means locations owned and operated by others who you depend on to attract customers to your business.
38. "Malfunction" means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.
39. "Manager" means a person elected by the "members" to direct the limited liability company's business affairs.
40. "Manufacturing locations" means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.
41. "Market value" means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.
42. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
43. "Merchandise" means:
- a. Goods held for sale or installation by you which are not "goods you have manufactured"; and
 - b. "Goods you have manufactured" which are completed and ready for packing, shipment, installation, or sale on a "premises" or "reported uncheduled premises" of any retail outlet at which you are insured by Business Income Insurance.
44. "Microorganism" means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, "fungus", wet or dry rot, virus, algae, or bacteria, or any by-product.
45. "Mistake" means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.
46. "Money" means:
- a. Currency, coins, bullion, or bank notes, whether or not in current use; and
 - b. Travelers checks, register checks, food stamps, and money orders held for sale to the public.
47. "Monthly leasehold interest" means the original costs you paid for:
- a. Bonus Payments – "Money" you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
 - b. Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment	\$4,000
With 20 months left in the lease at the time of Bonus Payment	+20
"Monthly leasehold interest"	\$200

48. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.

49. **"Net leasehold interest"** means the sum of:

- a. The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
- b. Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000
"Net leasehold interest"	
Subtotal a. + Subtotal b.	\$9,526

50. **"Newly acquired premises"** means a permanently fixed location you own, lease, rent, or control. The location becomes a **"newly acquired premises"** on the later of:

- a. The date you obtain possession or control of the location; or
- b. The date **"real property"** or **"personal property"** in which you have an insurable interest is first placed at the location.

"Newly acquired premises" does not mean:

- a. A **"premises"**;
- b. An **"unreported premises"**;
- c. A **"reported unscheduled premises"**;
- d. A fair or exhibition;

- e. An "installation or service premises";
- f. A "rigging premises"; or
- g. A "temporary storage location".

51. **"Off-premises service interruption"** means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

52. **"Operations"** means:

- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
- b. The covered location is tenantable prior to the physical loss or damage.

"Operations" does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **"Research and development operations"**.

53. **"Original information property"** means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Original information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**;
- e. **"Electronic data processing hardware"**; or
- f. **"Research and development property"**.

54. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, grass, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**;
- d. **"Stock"**, or
- e. **"Green roofing systems"**.

55. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that 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"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

56. **"Personal property"** means:

- a. **"Your personal property"**;
- b. **"Your employees' personal property"**;
- c. **"Personal property of others"** in your care, custody, or control;

- d. The value of labor, materials, or services furnished or arranged by you on **"personal property of others"**;
- e. Your interest in **"improvements and betterments"** to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Green roofing systems"**;
- e. **"Money"**, bills, notes, or **"securities"**;
- f. Contraband or property in the course of illegal transportation or trade;
- g. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as **"stock"** while inside of buildings;
- h. **"Fine arts"**;
- i. **"Original information property"**;
- j. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;

But not:

- 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
- 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
- 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- k. Property contained in underground mines, mine shafts, caverns, open pits, or quarries;
- l. **"Research and development property"**;
- m. Spacecraft, satellites, associated launch vehicles and any major components, including any property contained therein;
- n. **"Scheduled property"**; or

- o. Property covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.

57. **"Personal property of others"** means personal property not owned by you, your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

58. **"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.

59. **"Premises"** means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **"time element coverage"**, **"premises"** includes those portions of the location not rented or intended to be rented to others.

60. **"Raw stock"** means material in the state in which you acquired it for conversion into **"finished stock"**.

61. **"Real property"** means:

- a. Buildings, including their **"green roofing systems"**;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **"premises"** or **"reported unscheduled premises"**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

"Real property" does not mean:

- a. **"Fine arts"**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **"Outdoor trees, shrubs, plants, or lawns"**;
- g. **"Research and development property"**;
- h. **"Contractor's equipment"**;

- i. "Contractor's employees' property";
- j. "Installation property";
- k. "Landscaping materials";
- l. Property of others in your care, custody, or control for "rigging"; or
- m. Launch facilities for spacecraft or satellites.

62. "Recipient locations" means locations owned or operated by others, who you depend on to accept your products or services.

63. "Replacement cost" means the lesser of:

a. Repair Cost

The cost to repair the "real property" or "personal property" at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the "real property" when those costs are a consequence of enforcement of such codes.

b. Rebuild Cost

The cost to rebuild the "real property" or "personal property" at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. Replace Cost

The cost to replace the "real property" or "personal property" at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and "personal property" valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to "real property" or "personal property".

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of "real property" or "personal property" at the "premises" or "reported unsheduled premises", and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, "replacement cost" includes the costs to demolish and clear the site of the undamaged portion of the "real property" or "personal property".

"Replacement cost" does not mean:

- a. Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
 - b. Enforcement of any ordinance or law which requires the 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 **"microorganisms"**; or
 - c. Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.
64. **"Reported unscheduled premises"** means permanently fixed locations for which you have submitted a schedule on file with us containing:
- a. The address of the location and includes that area extending 1000 feet beyond the address;
 - b. An identification of the property, business income, or extra expense to be covered; and
 - c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;
 - b. A **"newly acquired premises"**;
 - c. An **"unreported premises"**;
 - d. A fair or exhibition;
 - e. An **"installation or service premises"**;
 - f. A **"temporary storage location"**;
 - g. A **"rigging premises"**; or
 - h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.
65. **"Research and development continuing expenses"** means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.
66. **"Research and development extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:
- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph b. of the Extended Period of Indemnity Additional Coverage; or
 - b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.
67. **"Research and development operations"** means your business activities where **"research and development property"** is being planned, created, developed, or tested.

68. "Research and development property" means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;
- e. Biological products, processes, or cultures; and
- f. **"Research animals"**.

"Research and development property" does not mean:

- a. Animals, other than **"research animals"**;
- b. **"Money"**, bills, notes, or **"securities"**;
- c. **"Stock"**;
- d. **"Fine arts"**; or
- e. Growing plants or crops.

69. "Research animal" means any multi-cellular organism that is used in your "research and development operations".

70. "Rigging" means rigging, hoisting, moving, erecting, lowering, and millwright work.

71. "Rigging premises" means a location for the purpose of:

- a. **"Rigging"**;
- b. Assembling or dismantling work done in connection with a **"rigging"** project; or
- c. Operations incidental to a **"rigging"**, assembling, or dismantling project.

72. "Salespersons samples" means "personal property" that is in the custody of one of your salespersons and used only for sample purposes.

73. "Scheduled property" means those items described in the SCHEDULED PROPERTY COVERAGE FORM within the Coverage Territory.

"Scheduled property" does not mean:

- a. **"Real property"**;
- b. **"Personal property"**;
- c. Contraband or property in the course of illegal transportation or trade;

- d. **"Money"**, bills, notes, or **"securities"**;
- e. Waterborne property or property while being loaded onto or unloaded out of any watercraft, except while in the custody of a carrier for hire.
- f. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;
 But not:
 - 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
 - 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
 - 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- g. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- h. Spacecraft, satellites, associated launch vehicles and any major components, including any property contained therein.

74. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or property and includes:
- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

"Securities" does not mean:

- a. **"Money"**; or
- b. Lottery tickets held for sale.

75. **"Sinkhole collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

"Sinkhole collapse" does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **"flood"**; or
- c. Cost of filling sinkholes.

76. **"Specified causes of loss"** means the following:

- a. Fire;
- b. Lightning;

- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. "Sinkhole collapse";
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:
 - 1) "Personal property" in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice, or sleet;
- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. "Equipment breakdown cause of loss", excluding loss of or damage to "stock" caused by the discharge, dispersal, release, or escape of refrigerants.

77. "Stock" means the following:

- a. "Raw stock";
- b. "Stock in process";
- c. "Finished stock"; and
- d. "Merchandise".

78. "Stock in process" means "raw stock" which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become "finished stock".

79. "Suspended equipment" means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.

80. "Suspension" means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

81. **"Temporary storage location"** means a permanently fixed location that you lease, rent, or occupy for a period of less than one year where **"stock"** or **"installation property"** that is to become a permanent part of an **"installation or service premises"** is stored while waiting to be delivered to an **"installation or service premises"** and there is a written construction or installation contract or agreement to install that **"stock"** or **"installation property"** at that **"installation or service premises"**.

"Temporary storage location" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition; or
- f. An **"unreported premises"**.

82. **"Time element coverage"** means the coverage provided under any of the following:

- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);
- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

83. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"installation or service premises"**;
- g. A **"temporary storage location"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

84. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

85. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, theft or sprinkler leakage, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, theft or sprinkler leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any **"off-premises service interruption"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:
 - 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,of part or all of any property on or off a **"premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

- 1. The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:
 - a. \$2,500 for furs, fur garments, and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- 1) Jewelry or watches worth \$100 or less per item; or
- 2) Precious or semiprecious stones or metals used for industrial purposes.

- c. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

- 2. We will pay for direct physical loss of or damage to **"green roofing systems"** directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:
 - a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
 - b. Disease;
 - c. Changes in or extremes of temperature;
 - d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
 - e. Rain, snow, hail, ice, or sleet.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

- 1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace the **"real property"** or **"personal property"** at the same or another location.
- 2. Except as provided in 3., 5., 6., and 7. below, **"real property"** or **"personal property"**, other than **"improvements and betterments"**, which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"real property"** or **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
- 3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
- 4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
- 5. **"Improvements and betterments"** at:
 - a. The **"replacement cost"** if you make repairs with reasonable speed.
 - b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:

- 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- 2) Divide the amount determined in 1) above by the number of days from the installation of **"improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.

- c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.
6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
 7. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

1. The amount of covered loss or damage at the **"premises"**; or
2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

1. Any Limit of Insurance applicable to more than one **"premises"**; or
2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.



Additional Coverages Form

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Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for "stock" under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to "stock" under the Consequential Loss--Undamaged Stock Additional Coverage, or any other Additional Coverage for "stock".

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss--Net Leasehold Interest

We will pay for the loss of "net leasehold interest" you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to "real property" or "personal property" directly caused by a "covered cause of loss" at a "premises" or "reported unscheduled premises". We will not pay more than the "net leasehold interest" at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the "premises" or "reported unscheduled premises" under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the "premises" or "reported unscheduled premises" where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the "premises" or "reported unscheduled premises".

The most we will pay under this Additional Coverage at any one "premises" or "reported unscheduled premises" is the Limit of Insurance shown on the Declarations for Consequential Loss--Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss--Tenant's Improvements and Betterments

We will pay for the value of undamaged **"improvements and betterments"** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

- a. At least 25% of the area of that entire building has been damaged; or
- b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

- a. A minimum of 6 months remains in your lease; and
- b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss--Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. **Electronic Vandalism--Direct Damage**

We will pay for loss of or damage to **"accounts receivable records", "duplicate information property", "electronic data processing hardware", "original information property" or "research and development property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. **Expediting Expense**

In the event of covered loss of or damage to **"real property" or "personal property"** at a **"premises" or "reported uncheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property" or "personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises" or "reported uncheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. **Fairs or Exhibitions**

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
- b. In transit to or from fairs or exhibitions,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. **Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises" or "reported uncheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a "**covered cause of loss**".

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 =$	\$ 3,200
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a "**premises**" or "**reported unscheduled premises**" are stolen; or
- b. Entry lock repair or replacement made necessary by theft or attempted theft at a "**premises**" or "**reported unscheduled premises**".

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The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. Microorganisms

We will pay the following when **"microorganisms"** are the result of a **"covered cause of loss"**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **"microorganisms"**, including the cost of removal of the **"microorganisms"**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **"microorganisms"**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **"microorganisms"** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **"microorganisms"** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. Newly Acquired Premises

We will pay for direct physical loss of or damage to **"real property"** or **"personal property"** at a **"newly acquired premises"** directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. Newly Acquired Property

We will pay for direct physical loss of or damage to:

- a. Your newly acquired or constructed **"real property"** at a **"premises"** if coverage is not currently shown for **"real property"** at that **"premises"** on the Declarations; and
- b. Your newly acquired **"personal property"** at a **"premises"** if coverage is not currently shown for **"personal property"** at that **"premises"** on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **"real property"** begins or completed **"real property"** or **"personal property"** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **"real property"** begins or **"personal property"** or completed **"real property"** is acquired.

The most we will pay under this Additional Coverage at any one **"premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption--Direct Damage

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to any property located away from the **"premises"** or **"reported unscheduled premises"** and used to provide any of the following services to the **"premises"** or **"reported unscheduled premises"**:

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** at a **"premises"** or **"reported unscheduled premises"** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or
- e. Aircraft.

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The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal--Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal--Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency;
or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"**, other than **"salespersons samples"** or property in transit, at an **"unreported premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.



Accounts Receivable Coverage Form (Revenue Loss)

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Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage;

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)--Away From Premises

We will also pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage;

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing;

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"accounts receivable records"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a "mistake" or "malfunction".

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by "earth movement". Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if "earth movement" results in fire, explosion, theft, or sprinkler leakage we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, theft or sprinkler leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from "electronic vandalism".

This exclusion applies even if the "electronic vandalism" was caused by or resulted from a "mistake" or "malfunction".

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "covered cause of loss", we will pay for that portion of the loss or damage which was solely caused by that "covered cause of loss".

9. Flood

We will not pay for loss or damage caused directly or indirectly by "flood". Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if "flood" results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of "accounts receivable records" ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a "mistake" or "malfunction".

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of "microorganisms", unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "specified cause of loss", other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that "specified cause of loss".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "microorganisms".

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a "mistake" or "malfunction", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "mistake" or "malfunction", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to "accounts receivable records", the following method will be used to determine the amount of covered loss, damage, or expense:

1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

1. The amount of the accounts receivable for which there is no loss or damage;
2. The amount of the accounts receivable that you are able to re-establish or collect;
3. An amount to allow for probable bad debts that you are normally unable to collect; and
4. All unearned interest and service charges.



Fine Arts Coverage Form

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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

a. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A "mistake" in planning, zoning, development, surveying, siting;
- 2) A "mistake" in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A "mistake" in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the "fine arts". This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a "mistake" or "malfunction".

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, "members", officers, "managers", employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the "fine arts" for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a "mistake" or "malfunction".

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by "earth movement". Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if "earth movement" results in fire, explosion, theft, or sprinkler leakage, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, theft, or sprinkler leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **"fine arts"** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:
 - 1) Covered **"real property"**; or
 - 2) Covered **"personal property"**,directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to **"fine arts"** caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **"Fine arts"** are valued based on the lesser of:
 - a. **"Market value"** at the time of loss or damage; or

b. The value of "**fine arts**" that are individually listed and described on the schedule on file with us.

2. Pairs or Sets

In case of loss to any part of a pair or set, we may:

a. Repair or replace any part to restore the pair or set to its value before the loss; or

b. Pay the difference between the value of the pair or set before and after the loss.



Installation and Service Property Coverage Form

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Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"installation or service premises"**; or
- b. In transit, to or from an **"installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

5. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **"real property"** containing covered **"personal property"** directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

6. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence

to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. **"Stock"** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:
 - 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off an **"installation or service premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off an **"installation or service premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an "equipment breakdown cause of loss" to "suspended equipment". This exclusion applies even if this excluded cause of loss was caused by or resulted from a "mistake" or "malfunction".

But if a result of this excluded cause of loss is a "covered cause of loss", we will pay for that portion of the loss or damage which was solely caused by that "covered cause of loss".

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "mistake" or "malfunction", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to "personal property" that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for "stock" by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The "replacement cost"; or

- b. The **"amount you actually spend"** to repair, rebuild, or replace Covered Property.
2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. Covered Property which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form

A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"original information property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"original information property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be

covered. But if **"earth movement"** results in fire, explosion, theft, or sprinkler leakage, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, theft, or sprinkler leakage.

7. **Electronic Vandalism**

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. **Expected, Preventable, or Accumulated Losses**

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. **Flood**

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. **Governmental Action**

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged **"original information property"** at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your **"original information property"**. We will not include the cost of making additional copies.

Transit Coverage Form



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Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
3. General average and salvage charges on shipments while waterborne,
directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"installation or service premises"**;
5. **"Stock"** in transit to or from an **"installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. **Governmental Action**

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. **Loss of Market or Delay**

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. **Microorganisms**

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. **Nuclear Hazard**

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. **Process Failures, Defects, or Errors**

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

10. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to **"personal property"** in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If **"personal property"** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **"personal property"** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace **"personal property"**.

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



Business Income Coverage Form (Excluding Extra Expense)

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Business Income Coverage Form (Excluding Extra Expense)

A. COVERAGE

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"premises"** or **"reported unscheduled premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Electronic Vandalism

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Business Income.

4. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form and subject to the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"** or **"reported unscheduled premises"**.

5. Extended Period of Indemnity

If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

6. Fairs or Exhibitions

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Business Income.

7. Ingress/Egress

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual loss of **"business income"** you sustain must be caused by direct physical loss or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

8. Microorganisms

We will pay for the actual loss of **"business income"** you sustain due to the:

- a. Necessary **"suspension"** of your **"operations"** from direct physical loss of or damage to Covered Property caused by **"microorganisms"** when the **"microorganisms"** are the result of a **"covered cause of loss"**; or
- b. Prolonged **"period of restoration"** due to the remediation of **"microorganisms"** from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms--Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the "microorganisms" continue to be present, active, or recur.

9. Newly Acquired Premises

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to your property at a "newly acquired premises". The loss or damage must be directly caused by a "covered cause of loss".

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the "newly acquired premises" to us;
- b. The number of days shown on the Declarations from the date the location becomes a "newly acquired premises"; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a "newly acquired premises".

The most we will pay under this Additional Coverage at any one "newly acquired premises" is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Business Income.

10. Reported Unscheduled Premises

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at a "reported unscheduled premises". The loss or damage must be directly caused by a "covered cause of loss".

The most we will pay under this Additional Coverage at any one "reported unscheduled premises" is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Business Income.

11. Scheduled Property

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to "scheduled property". The loss or damage must be directly caused by a "covered cause of loss" within the Coverage Territory.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the applicable Limit of Insurance shown on the SCHEDULED PROPERTY COVERAGE FORM.

12. Transit

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a "covered cause of loss".

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Business Income.

13. Unreported Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Business Income.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 6., 7., 8., and 9. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Green roofing systems"**;
- e. **"Personal property"** in transit; or
- f. **"Scheduled property"**.

2. Fine Arts

The exclusions in paragraphs 6., 7., 8., and 9. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 6., 7., 8., and 9. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"original information property"**.

4. Personal Property in Transit

The exclusions in paragraphs 6., 7., 8., and 9. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"personal property"** in transit.

5. Scheduled Property

The exclusions in paragraphs 6., 7., 8., and 9. below and the excluded causes of loss in the SCHEDULED PROPERTY COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"scheduled property"**.

6. Finished Stock

We will not pay for loss of **"business income"** caused by or resulting from:

- a. Loss of or damage to **"finished stock"**; or
- b. The time required to replace **"finished stock"**.

7. Off-Premises Service Interruption

We will not pay for loss of **"business income"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

8. Suspension, Lapse, or Cancellation

We will not pay for any loss of **"business income"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"extended period of indemnity"**.

9. Space and Space Related Risks

We will not pay for any loss of **"business income"** caused by or resulting from loss of or damage to:

- a. Spacecraft, satellites, associated launch vehicles and any major components, including any property contained therein; or
- b. Launch facilities for spacecraft or satellites.

D. LIMITATIONS

1. Idle Periods

We will not pay for loss of **"business income"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for loss of **"business income"** caused by or resulting from loss of or damage to **"green roofing systems"** unless the loss or damage is directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** in any one occurrence until the amount of loss exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of actual **"business income"** loss sustained in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual **"business income"** loss sustained will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of **"net income"** will be determined based on:

- a. The **"net income"** of the business before the direct physical loss or damage occurred; and
- b. The likely **"net income"** of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of "continuing expenses" will be determined based on those expenses which are necessary to resume your "operations" with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the "period of restoration" or "extended period of indemnity".

4. Resumption of Operations

We will reduce the amount of the "business income" loss payment:

- a. To the extent you could resume your "operations", in whole or in part, by using damaged or undamaged property, including "stock"; or
- b. To the extent you could resume your "operations", in whole or in part, by using any other location.

5. Finished Stock and Merchandise

Lost or damaged "finished stock" or "merchandise" that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of "business income" is the lesser of:

- a. The amount of loss incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

2. Monthly Limit of Indemnity

The most we will pay for loss of "business income" in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

Example:

if:

- a. The Limit of Insurance is \$120,000.

b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



Extra Expense Coverage Form

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ZURICH

Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Civil Authority when an order of civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Ingress/Egress, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual and necessary **"extra expense"** you incur must be caused by direct physical loss of or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Extra Expense.

4. Reported Unscheduled Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Extra Expense.

5. Unreported Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Extra Expense.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 4., 5., and 6. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** incurred, caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**; or
- d. **"Green roofing systems"**.

2. Fine Arts

The exclusions in paragraphs 4., 5., and 6. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** incurred, caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4., 5., and 6. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to "extra expense" incurred, caused by or resulting from loss of or damage to "original information property".

4. Off-Premises Service Interruption

We will not pay for "extra expense" incurred, caused by or resulting from any "off-premises service interruption". Such loss is excluded regardless of any other cause or event, including a "mistake", "malfunction", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for "extra expense" incurred, caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the "suspension" of your "operations". If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the "suspension" of your "operations", we will not pay for that portion of any "extra expense" incurred from such suspension, lapse, or cancellation which occurs after the "period of restoration".

6. Space and Space Related Risks

We will not pay for "extra expense" incurred, caused by or resulting from loss or damage to:

- a. Spacecraft, satellites, associated launch vehicles and any major components, including any property contained therein; or
- b. Launch facilities for spacecraft or satellites.

D. LIMITATIONS

1. Idle Periods

We will not pay for "extra expense" incurred during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the "premises" or "reported unscheduled premises" as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the "premises" or "reported unscheduled premises" as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in "extra expense" incurred, caused by delay in rebuilding, repairing, or replacing property or resuming "operations", due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for "extra expense" incurred, caused by or resulting from loss of or damage to "outdoor trees, shrubs, plants, or lawns" unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for "extra expense" incurred, caused by or resulting from loss of or damage to "green roofing systems" unless the loss or damage is directly caused by a "covered cause of loss" other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any "extra expense" incurred in any one occurrence until the amount of "extra expense" incurred exceeds the applicable Deductibles shown on the Declarations. We will then pay the actual and necessary "extra expense" incurred in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual and necessary "extra expense" incurred will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of actual and necessary "extra expense" incurred will be determined based on:

- a. All "extra expense" that exceeds the normal operating expenses that would have been incurred by your "operations" during the "period of restoration" if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the "extra expense" that otherwise would have been incurred.

We will deduct from the total "extra expense" incurred the salvage value of any property bought for temporary use during the "period of restoration", once "operations" are resumed.

3. Resumption of Operations

We will reduce the amount of "extra expense" paid to the extent you can return "operations" to normal and discontinue such "extra expense".



ZURICH

Wind and Hail Exclusion-- Direct Damage and Time Element

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION AND SERVICE PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM
TRANSIT COVERAGE FORM**

A. The following is added to the Excluded Causes of Loss or Exclusions section in the following forms:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION AND SERVICE PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM
TRANSIT COVERAGE FORM**

Wind and Hail

We will not pay for loss or damage caused directly or indirectly by wind or hail. Such loss or damage is excluded regardless of any other cause or event, including a "mistake", "malfunction", or another weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if wind or hail results in fire, explosion, or theft, we will pay for that portion of the loss or damage solely caused by that fire, explosion, or theft.

B. Subparagraph d., Windstorm or hail, of the definition of "specified causes of loss" in the COMMERCIAL PROPERTY DEFINITIONS is deleted.



Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to a **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. This Limit is included in, and not in addition to, any other applicable Limit of Insurance.

If a Blanket Business Income and Extra Expense Limit of Insurance applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to the actual and necessary **"extra expense"** you incur for up to 30 days after an order of civil authority prohibits access to that **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

- a. Sources of materials or services; or
 - b. Outlets for your products or services,
- available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins when the direct physical loss of or damage to property at a **"dependent premises"** occurs; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that 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"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.

- F. Coverage provided by this endorsement does not apply at any location at which **"business income"** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



ZURICH

Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM**

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage--Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Cloud facility";**
2. **"Dependent premises";**
3. Fairs or exhibitions;
4. **"Newly acquired premises";**
5. **"Reported unscheduled premises";**
6. **"Unreported premises";** or
7. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by "flood" at any one "premises" is the Limit of Insurance shown on the Declarations for Flood for that "premises".

2. Occurrence Limits

- a. The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by "flood", at all "Schedule I Premises" is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule I), regardless of the number of "Schedule I Premises" involved.
- b. The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by "flood", at all "Schedule II Premises" is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule II), regardless of the number of "Schedule II Premises" involved.
- c. The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by "flood", at all "Schedule III Premises" is the Occurrence Limit of Insurance shown on the Declarations for Flood (Schedule III), regardless of the number of "Schedule III Premises" involved.

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by "flood" for all "Schedule I Premises", "Schedule II Premises" and "Schedule III Premises", is the largest of the applicable "Schedule I Premises", "Schedule II Premises" or "Schedule III Premises" Occurrence Limit of Insurance shown on the Declarations.

3. Annual Aggregate Limits

- a. The most we will pay for all loss or damage caused directly or indirectly by "flood" in any one policy year, regardless of the number of occurrences or "Schedule I Premises" involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule I).
- b. The most we will pay for all loss or damage caused directly or indirectly by "flood" in any one policy year, regardless of the number of occurrences or "Schedule II Premises" involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule II).
- c. The most we will pay for all loss or damage caused directly or indirectly by "flood" in any one policy year, regardless of the number of occurrences or "Schedule III Premises" involved, is the annual Aggregate Limit of Insurance shown on the Declarations for Flood (Schedule III).

The most we will pay for all loss or damage caused directly or indirectly by "flood" in any one policy year, regardless of the number of occurrences, "Schedule I Premises", "Schedule II Premises" or "Schedule III Premises" involved, is the largest of the applicable "Schedule I Premises", "Schedule II Premises" or "Schedule III Premises" annual Aggregate Limit of Insurance shown on the Declarations.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by "flood", the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. ADDITIONAL DEFINITIONS

With respect to the coverage provided by this endorsement, the following are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Schedule I Premises" means **"premises"** at which the term Schedule I is shown under the Summary of Premises section on the Declarations.

"Schedule II Premises" means **"premises"** at which the term Schedule II is shown under the Summary of Premises section on the Declarations.

"Schedule III Premises" means **"premises"** at which the term Schedule III is shown under the Summary of Premises section on the Declarations.

4) If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:

- a) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- b) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the principal of the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

b. If we cancel this policy, we will give written notice to the Loss Payee at least:

- 1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

3. CONTRACT OF SALE

a. For Covered Property in which both you and the Loss Payee have an insurable interest we will:

- 1) Adjust losses with you; and
- 2) Pay any claim for covered loss or damage jointly to you and the Loss Payee, as interests may appear.

b. The following is added to the Other Insurance Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

4. BUILDING OWNER

a. We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.

b. We will adjust losses to **"improvements and betterments"** with you, unless the lease provides otherwise.



ZURICH

Georgia Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. The following exclusion and related provisions are added to the Excluded Causes of Loss section of each applicable Coverage Form in the Commercial Property Coverage Part:

1. We will not pay for loss or damage arising out of any act committed:
 - a. By or at the direction of any insured; and
 - b. With the intent to cause a loss.
2. However, this exclusion will not apply to deny coverage to an innocent co-insured, provided the loss:
 - a. Is otherwise covered under this Commercial Property Coverage Part; and
 - b. Arose out of an act of family violence by an insured against whom a family violence complaint is brought for such act.
3. If we pay a claim pursuant to 2. above, our payment to the insured is limited to that insured's legal interest in the property less any payments we first made to a mortgageholder or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

B. The following explanation is added with respect to application of the Microorganisms excluded cause of loss and the Additional Coverage of the same title:

With respect to the portion of Covered Property that would still have required repair or replacement had there been no "microorganisms", this excluded cause of loss and Additional Coverage will not serve to limit the amount of recovery for such repair or replacement.

However, this excluded cause of loss and Additional Coverage shall continue to apply to:

1. The cost to treat, contain, remove, or dispose of "microorganisms" beyond that which is required to repair or replace Covered Property;
2. The cost of testing as described in the Additional Coverage; and
3. Additional coverage as provided under the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY resulting from 1. or 2. above.

Regardless of whether the excluded cause of loss and Additional Coverage apply to a loss, the Limit of Insurance for Covered Property is not increased. The maximum recoverable, for the total of the cost to repair or replace Covered Property and any additional covered cost to treat, contain, remove, dispose of, or test for "microorganisms", is the Limit of Insurance applicable to the affected Covered Property.



ZURICH AMERICAN INSURANCE COMPANY
P.O. BOX 968057
SCHAUMBURG, IL 60196

April 21, 2020

Restaurant Group Management
1119 Logan Cir
Atlanta, GA 30318

Zurich North America
PO Box 968057
Schaumburg, IL 60196

Re: Claim #: 5630047190
Insured: Restaurant Group Management
Policy #: CPP 0386154 02
Date of Loss: March 15, 2020
Loss Location: Various Locations

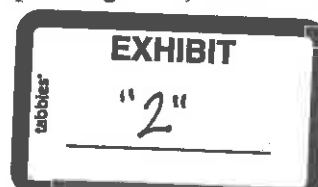
Dear Mr. Jeff Landau,

We are writing on behalf of Zurich American Insurance Company with respect to an insurance claim submitted by Restaurant Group Management in connection with the recent outbreak of coronavirus/COVID-19. Zurich American Insurance Company understands that Restaurant Group Management is seeking coverage under the civil authority coverage provision for the impact on business during the period of time the insured location is affected by an order of civil authority issued in connection with the recent outbreak of the COVID-19 virus.

During our conversation on March 23, 2020 you stated that Restaurant Group Management is experiencing product waste and business income loss. Restaurant Group Management provided information showing five restaurants have been closed, and five others remain open with restricted services to takeout and delivery only. Restaurant Group Management also provided information showing the food waste at each affected location. We understand the reducing services to takeout and delivery is based on various state and county orders of civil authority restricting commercial activity due to the COVID-19 virus. Additionally, you stated there has not been any confirmed COVID-19 cases at the insured property.

We have reviewed the claim presented in conjunction with the terms of the Policy. Based on the information provided, we have concluded that the Policy does not provide coverage for the loss of revenue associated with the civil authority closure of Restaurant Group Management's business.

Zurich American Insurance Company issued Property Portfolio Protection Policy No. CPP 0386154 02 to Restaurant Group Management, effective December 31, 2019 to December 31,



RGM000146



ZURICH

Page 2

2020 ("Policy"). The insuring agreement of the Real and Personal Property Coverage Form (PPP-0110) provides:

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

Similar language is found in the insuring agreement of the Business Income Coverage Form (PPP-0130) which states:

A. COVERAGE

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

Restaurant Group Management has presented a claim for food waste caused by the closing of some of its restaurants. Damages to property caused by deterioration are excluded from the policy. Please review section B.7 of the Real and Personal Property Coverage Form PPP-0110 (08/16) found in (page 2 of 7) which states the following:

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;**

Additionally, we note that Policy contains the following "Loss of Market or Delay" exclusion in Section B.11. of Real and Personal Property Coverage Form (PPP-0110):

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

To the extent Restaurant Group Management sustained any loss caused by or resulting from loss of market, loss of use, or delay, coverage is not be available.

As a preliminary matter, there does not appear to be any claim for direct physical loss of or damage to property at Restaurant Group Management's premises. In any event, the presence of the COVID-19 virus does not constitute "direct physical loss or damage" to property. Moreover,

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any damage to property would be excluded under the Microorganisms Exclusions, found in Section 12 of Form PPP-0110 (page 3 of 7):

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of “**microorganisms**”, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a “**mistake**”, “**malfuction**”, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a “**specified cause of loss**”, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that “**specified cause of loss**”.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of “**microorganisms**”.

The term “microorganisms” is defined on page 8 of 19 of Form PPP-0103 as “any type or form of organism or microscopic or ultramicroscopic size including, but not limited to, “**fungus**”, wet or dry rot, virus, algae, or bacteria, or any by-product.” Where, as here, any alleged damage is the result of the presence of the COVID-19 virus, such alleged damage would be excluded under the “microorganism” exclusion.

We understand that Restaurant Group Management also is seeking coverage under the Civil Authority provision, which is set forth in Section B.1 of Business Income Coverage Form PPP-0130 (page 1 of 8) as follow:

1. Civil Authority

We will pay for the actual loss of “**business income**” you sustain for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary “**suspension**”, or delay in the start, of your “**operations**” if the “**suspension**” or delay is caused by order of civil authority that prohibits access to the “**premises**” or “**reported unscheduled premises**”. That order must result from a civil authority’s response to direct physical loss of or damage to property located within one mile from the “**premises**” or “**reported unscheduled premises**” which sustains a “**business income**” loss. The loss or damage must be directly caused by a “**covered cause of loss**”.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the

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“premises” or “reported uncheduled premises” where access was prohibited.

The limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

A similar provision is found under Section B.1. of Extra Expense Coverage Form PPP-0132 (page 1 of 4).

We note that, in order for coverage to apply under Section B.1. of either the Business Income or Extra Expense Coverage Forms, there must be a necessary suspension of the Insured's operations as a result of an order of civil authority that has been issued as a result of direct physical loss of or damage to property not owned by the Insured as a result of a “covered cause of loss.” Moreover, the order of civil authority must prohibit access to the “premises” or “reported uncheduled premises” in order to trigger coverage under this provision of the Policy.

The presence of the COVID-19 virus does not constitute “direct physical loss or damage” to property. Moreover, the presence of the COVID-19 virus falls within the definition of a “microorganism” in the “microorganism” exclusion cited above. Given that the presence of COVID-19 is excluded as a cause of loss, the order of civil authority does not result from a “covered cause of loss.”

Finally, Restaurant Group Management has been able to continue to perform business in a matter of takeout and delivery only. We note that Restaurant Group Management made the decision to close some of the locations for financial reasons unrelated to the civil authority orders issued. To the extent access to the Insured's “premises” or “reported uncheduled premises” is not prohibited, coverage would not be available for this additional reason.

For the foregoing reasons, we have concluded that the Policy does not provide coverage for the loss of revenue or any extra expenses resulting from the order of civil authority affecting your business. To the extent that your business was not affected by a civil authority order, there would also be no coverage under your Business Income or Extra Expense coverage form.

If you have any other information bearing on this loss that you would like Zurich American Insurance Company to consider, please forward it to us at your earliest convenience and it will be reviewed without prejudice to the parties' respective rights. Moreover, if you have any questions concerning this letter and Zurich American Insurance Company's position as set forth above, we will be pleased to discuss them with you.

We also direct your attention to Section H of Conditions Form PPP-0102, which provides that any action against the insurer must be commenced within 2 years after the date on which the loss or damage commenced.

Please be advised that this letter should not be considered a waiver or variance of any of the Policy's terms or conditions. Additionally, this letter in no way restricts or limits Zurich American Insurance Company from relying upon and asserting any other facts or grounds that are or may become available to it. All rights are reserved.

If you should have any questions, please do not hesitate to contact me.

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ZURICH

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Sincerely,

Leidy Vasquez
Property Claims Specialist
Zurich North America
P.O. Box 968057
Schaumburg, IL 60196

cc: Pritchard & Jerden Inc
950 E Paces Ferry Rd NE Ste. 2000
Atlanta, GA 30326

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LINDSEY & LACY, PC

July 21, 2020

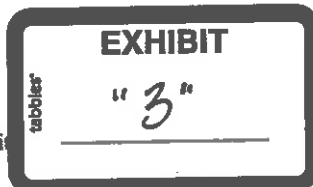
**VIA CERTIFIED U.S. MAIL (Return Receipt Requested)
& EMAIL (to leidy.vasquezgudino@zurichna.com)**

Leidy Vasquez
Property Claims Specialist
Zurich North America
P.O. Box 968057
Schaumburg, IL 60196

Re: Insured: Restaurant Group Management (and others)
Policy No.: CPP 0386154 02 ("Policy")
Claim No.: 5630047190
Date of Loss: 03/15/2020 and continuing
Location(s): Various Locations per Exhibit "A"

Dear Ms. Vasquez:

This law firm has been retained by Restaurant Group Management, LLC ("RGM") to represent it in the above referenced claim. For various reasons discussed more fully below, RGM disagrees with Zurich North America's ("Zurich") coverage determination for this claim as expressed in your letter of April 21, 2020. RGM hereby makes a statutory demand on behalf of itself and the restaurants insured under the captioned policy for a partial payment of \$4 million pursuant to O.C.G.A § 33-4-6 towards its ongoing loss of business income occasioned by the coronavirus pandemic which far exceeds that amount already. The policy has a blanket limit of insurance for "business income and extra expense" of \$6,522,086 and it is likely that the business income and extra expense losses will exceed that amount by the end of next month as they continue. A spreadsheet showing year over year revenue losses from March through July 15, 2019/2020 at the listed restaurants and stores is attached in support of the claim (Exhibit "A"). Those losses already exceed \$6 million. Should you require further proof of these losses we will provide additional documents within reason to prove the entire loss within the sixty (60) days contemplated by the statute. The statute mandates a payment of the demand within sixty (60) days of this letter or imposes a penalty of up to 50% of the losses plus reasonable attorneys' fees and expenses. Beyond business income losses, RGM previously documented to you the loss of "stock" at various insured locations occasioned by the pandemic disruption to its customer base and food/beverage inventory.



I. Facts.

Georgia's Governor, Brian Kemp declared an "unprecedented" public health emergency on March 14, 2020 and on March 16, 2020 ordered that all public schools, colleges, and universities in the state close from March 18, 2020 through the start of April. *See* Executive Orders ("EO") dated March 14, 2020 ("Order 1") and March 16, 2020 (Order "2") (attached hereto as Exhibits "1" and "2"). In an effort to contain and mitigate the spread of this disease, the Georgia Department of Public Health was told to coordinate with the Georgia Emergency Management and Homeland Security Agency to implement the Centers for Disease Control and Prevention's ("CDC") protocols and guidelines. Pursuant to these Orders and public health concerns, RGM closed all of its locations in March of 2020.

On March 23, 2020, Governor Kemp issued another EO (*See* "Order 3" attached hereto as Exhibit "3"), which ordered medically fragile citizens to shelter in place and closed bars while limiting the amount of people at other public locations to ten (10) unless the people could stay six (6) feet apart. On March 26, 2020, Governor Kemp issued an EO (*See* "Order 4" attached hereto as Exhibit "4") closing public elementary and secondary schools through April 24, 2020. On April 1, 2020, Governor Kemp issued another EO (*see* "Order 5" attached hereto as Exhibit "5") closing the schools for the rest of the school year.

The next day, on April 2, 2002, Governor Kemp issued the "Shelter In Place" EO (*see* "Order 6" attached hereto as Exhibit "6"). Order 6 officially shut down RGM by the use of the Governor's Civil Authority to do so in an emergency. "It is further ordered 'That all businesses, establishments, corporations, non-profit corporations, or organizations that are not Critical Infrastructure shall only engage in Minimum Basic Operations. . ." (Order 6, pg. 4). RGM's restaurants did not fall within the Critical Infrastructure category and Order 6 ordered the cessation of dine-in services for restaurants as well.

These measures were deemed to be required to control the spread of COVID-19 which the CDC said could be transmitted via person to person contact or surface to person contact. Order 6 did not allow business owners such as RGM to perform any testing to verify or disprove the presence of COVID-19 droplets in their stores. Pursuant to CDC guidance, the virus could survive on surfaces for a certain time depending on what the surface was. Essentially, Georgia shut down not only RGM's stores but also the surrounding stores and businesses because it thought a complete shutdown was required to protect the citizenry from the people and property damaged by this virus. This statewide shut down was enforced by the police powers of the state o in "Order 7", attached hereto as Exhibit "7", issued April 3, 2020. On April 8, 2020, the Public Health State of Emergency was extended until May 13, 2020. (*See* "Order 8" attached hereto as Exhibit "8"). On April 30, 2020 the Public Health State of Emergency was again extended until June 12, 2020. (*See* "Order 9" attached hereto as Exhibit "9").

The restrictions on businesses began to loosen when the Governor issued Order 10 on May 12, 2020 which allowed limited operations by restaurants under certain circumstances (attached hereto as Exhibit "10"). The restrictions focused on social distancing and extreme sanitation to

ensure that the virus was not continuing to cause contamination damage to the restaurant's surfaces or business property:

"Thoroughly detail, clean, sanitize the entire facility prior to resuming dine-in services and continue to do so regularly, focusing such cleaning and sanitation on high contact areas that would be touched by employees and patrons;"
"Between diners, clean and sanitize table condiments, digital ordering devices, check presenters, self-service areas, tabletops and commonly touched areas, and discarding single-use items;"

Order 10, pg. 8.

More restrictive guidance was provided by the Mayor of Atlanta's office earlier this month as well as by public health authorities the effect of which is a total loss of any restaurant to provide indoor service on other than an extremely limited basis. A physical reduction in the number of chairs and seats is required to assure public health and mandated safety requirement to serve customers. The restaurants have no way to assure that any person on any premises is free of the virus as it is well documented that asymptomatic persons can transmit it.

RGM timely tendered its claims to Zurich but Zurich has decided to deny RGM's claims under the above referenced Policy despite clear coverage under the Business Income Coverage Form which includes Civil Authority, Ingress/Egress, and Microorganism coverages in that section of the Policy.

In denying coverage your letter of April 21, 2020, referenced exclusions 7 (expected losses), 11 (loss of market or delay) and 12 (microorganisms) all of which arise under the "Real and Personal Property Coverage Form," none of which are applicable to RGM and its group's business income losses. The microorganism exclusion is also superseded by coverage for microorganism losses in the "Additional Coverages Form" and the Policy also provides microorganism coverage under the "Business Income Coverage Form." The elements of "direct physical loss" occasioned by the virus is well known to Zurich and outlined by its insured in *In-N-Out Burgers v. Zurich American*, Case # 8:20- cv-1000, USDC, Central District of California. As noted, RGM establishments have also sustained direct physical loss of seats and tables in order to accommodate public health considerations and civil authority orders. Moreover, the policy covers direct physical loss "or damage" irrespective of direct physical loss.

A. Business Income. Form PPP-0130 (08 16)

RGM's losses from its Georgia stores is \$6,192,403.10 to date since the stores closed in March 2020 and those losses continue to accrue. The Policy states as follows under its Business Income Coverage:

A. Coverage

We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration".

The "suspension" must be caused by direct loss of or damage to property at a "premises" at which a Limit of Insurance is shown in the Declarations for Business Income. The loss or damage must be directly caused by a "covered cause of loss". We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that "premises".

Policy, Form PPP-0130 (08 16), Pg. 1.

This Business Income Form also provides the following additional coverages: 1) Civil Authority; 2) Ingress/Egress; and 3) Microorganisms.

B. Additional Coverages

1. Civil Authority

We will pay for the actual loss of "business income" you sustain for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary "suspension", or delay in the start, of your "operations" if the "suspension" or delay is caused by order of civil authority that prohibits access to the "premises" or "reported unscheduled premises". That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the "premises" or "reported unscheduled premises" which sustains a "business income" loss. The loss or damage must be directly caused by a "covered cause of loss".

[...]

7. Ingress/Egress

We will pay for the actual loss of "business income" you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary "suspension" of your "operations", when ingress or egress by your suppliers, customers, or employees to the "premises" or "reported unscheduled premises" is physically obstructed due to direct physical loss or damage. The actual loss of "business income" you sustain must be caused by direct physical loss or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from "premises" or "reported unscheduled premises" which sustains a "business income" loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that "premises" or "reported unscheduled premises". The loss or damage must be directly caused by a "covered cause of loss".

[...]

8. Microorganisms

We will pay for the actual loss of "business income" you sustain due to the:

a. Necessary “suspension” of your “operations” from direct physical loss of or damage to Covered Property caused by “microorganisms” when the “microorganisms” are the result of a “covered cause of loss”; or

b. Prolonged “period of restoration” due to the remediation of “microorganisms” from a covered loss.

The most we will pay under this Additional Coverage in any policy is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms—Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the “microorganisms” continue to be present, active, or recur.

Policy, Form PPP-0130 (08 16), Pgs. 1-3.

Importantly for the current bad faith demand is that the Policy defines Microorganisms as follows: “microorganism” means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, “fungus”, wet or dry rot, virus, algae, or bacteria, or any by-product.” The express inclusion of “virus” in the definition renders Zurich’s denial completely unreasonable and triggers Georgia’s bad faith statute which is specifically discussed in the beginning of this letter and below. The coverage denial is completely misleading by referencing the microorganism exclusion in the first section of the Policy and omitting the microorganism coverage in the “Additional Coverages” and “Business Income” forms.

B. Extra Expense. Form PPP-0132 (08 16)

A. Coverage

We will pay for the actual and necessary “extra expense” you incur due to direct physical loss of or damage to property at a “premises” at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a “covered cause of loss”. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that “premises”.

The Limits of Insurance shown for these two (2) coverages are located on the Commercial Property Coverage Part Declarations Form PPP-0001 (06 06). The limits for Business Income and Extra Expenses, listed as the blanket limit, is \$6,522,086. The Policy lists nineteen (19) separate premises and each one has Business Income and Extra Expenses coverage and the limits are all described as “Included In Blanket Limit Of Insurance.” Zurich’s April 21, 2020 denial letter does not discuss any of these directly relevant Policy provisions and thus misrepresents Zurich’s insured’s available coverage in direct violation of Georgia’s Unfair Claims Settlement Practices Act.

O.C.G.A. § 33-6-34 Unfair Claims Settlement Practices- states as follows:

Any of the following acts of an insurer when committed as provided in *Code Section 33-6-33* shall constitute an *unfair claims settlement practice*:

(1) Knowingly misrepresenting to claimants and insureds relevant facts or policy provisions relating to coverages at issue;

(2) Failing to acknowledge with reasonable promptness pertinent communications with respect to *claims* arising under its policies;

[...]

(4) Not attempting in good faith to effectuate prompt, fair, and equitable *settlement* of *claims* submitted in which liability has become reasonably clear;

(5) Compelling insureds or beneficiaries to institute suits to recover amounts due under its policies by offering substantially less than the amounts ultimately recovered in suits brought by them;

(6) Refusing to pay *claims* without conducting a reasonable investigation;

(7) When requested by the insured in writing, failing to affirm or deny coverage of *claims* within a reasonable time after having completed its investigation related to such *claim* or *claims*;

[...]

(9) Unreasonably delaying the investigation or payment of *claims* by requiring both a formal proof of loss and subsequent verification that would result in duplication of information and verification appearing in the formal proof of loss form; provided, however, this paragraph shall not preclude an insurer from obtaining sworn statements if permitted under the policy;

(10) When requested by the insured in writing, failing in the case of *claims* denial or offers of compromise *settlement* to provide promptly a reasonable and accurate explanation of the basis for such actions. In the case of *claims* denials, such denials shall be in writing;

(11) Failing to provide forms necessary to file *claims* within 15 calendar days of a request with reasonable explanations regarding their use;

[...]

(14) Issuing checks or drafts in partial *settlement* of a loss or *claim* under a specific coverage which contain language which releases the insurer or its insured from its total liability.

RGM's restaurants/stores currently remain entirely closed or severely limited because RGM is waiting for the state to reopen these types of venues under newly revised CDC protocols. There is no question that RGM has had to suspend its operations due to the COVID-19 pandemic and the government mandates related to the ongoing public health emergency. There is also no question that the physical presence of COVID-19 droplets, whether airborne or on surfaces, is the primary method of transmission. Surfaces that have, or may have, COVID-19 on them or areas that may contain airborne particles have been physically damaged by the presence of those droplets or particles and that satisfies the "direct physical loss" requirement in the BI coverage grant for both BI and Extra Expense losses. Moreover, the words "direct physical" which modify the term loss are followed by the unmodified terms "or damage." There is no question that the virus has caused "damage" at each insured location. Physical distancing and elimination of multiple seats,

and tables creates a loss of seating capacity and customers. The necessary removal of tables and seats also constitutes "direct physical loss" leading to business income losses.

II. Bad Faith Demand.

As with most jurisdictions, Georgia provides that the breadth of coverage is governed by the terms of the Policy. Any ambiguities in the Policy can be settled by the courts as a matter of law but are interpreted against the carrier as the drafter of the Policy. Zurich has a duty of good faith and fair dealing towards its insured. Failure to pay a claim when a demand is made pursuant to O.C.G.A. §33-4-6 exposes a carrier to up to a 50% of the claim's value as a penalty as well as attorney's fees incurred by the insured.

O.C.G.A. §33-4-6 is Georgia's insurer bad faith statute. It reads in relevant part:

In the event of a loss which is covered by a policy of insurance and the refusal of the insurer to pay the same within 60 days after a demand has been made by the holder of the policy and a finding has been made that such refusal was in bad faith, the insurer shall be liable to pay such holder, in addition to the loss, not more than 50 percent of the liability of the insurer for the loss or \$5,000 whichever is greater, and all responsible attorney's fees for the prosecution of the action against the insurer.

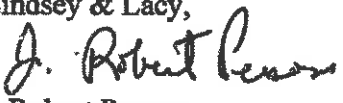
RGM's losses under the Business Income coverage continue to accrue. The loss pursuant to the government mandated shutdown (and guidance from public agencies) is ascertainable and the partial payment requested now is due and payable now. Failure to pay the claim within the Policy limits will expose Zurich to the statutory bad faith penalties. We anticipate that the losses will exceed the blanket business income limit by the end of August. This letter constitutes RGM's demand to make the partial payment demanded now. RGM will present a complete BI and Extra Expenses claim once it is allowed to completely reopen its restaurants or at such time as the business income losses exceed the blanket limit, whichever first occurs.

IV. Conclusion

Please confirm that within sixty days that Zurich will pay the RGM claims outlined here and arising under the Policy. If Zurich does not do so, our client has authorized us to file suit. Additionally, O.C.G.A. §33-4-6 also requires that we serve the Georgia Insurance Commissioner with a copy of the Complaint. Having taught the Insurance Law course at the University of Georgia School of Law for four years, I would also welcome the opportunity to discuss the industry's widely publicized determination to resist all business loss of income claims occasioned by the pandemic with the Insurance Department. If a resolution is not reached within the sixty (60) days contemplated by the statute, we have been instructed to file suit on behalf of our clients. The initial payment demanded here is approximately 2/3 of the actual business income losses which are ongoing and will be updated as they become known and calculable.

Very truly yours,

Lindsey & Lacy,



J. Robert Persons

J. Robert Persons

CC: RGM, LLC (*via email*)
Tom Lacy, Esq.

JRP/jeh



Locations	Mar-19	Apr-19	May-19	Jun-19	July 1-15, 19	Total 2019	Mar-20	Apr-20	May, 2020	June, 2020	July 1-15, 20	Total 2020
Elmstens	\$ 264,639.00	\$ 240,384.00	\$ 266,170.00	\$ 213,772.00	\$ 91,804.00	\$ 1,076,769.00	\$ 79,062.00	\$ -	\$ 10,967.00	\$ 86,755.00	\$ 44,423.00	\$ 221,207.00
Hudson Grille Midtown	\$ 355,558.00	\$ 272,934.00	\$ 279,554.00	\$ 256,901.00	\$ 115,887.00	\$ 1,280,235.00	\$ 144,339.00	\$ 47,740.00	\$ 75,433.00	\$ 145,291.00	\$ 77,945.00	\$ 490,748.00
Metropolitan Bakery	\$ 85,573.00	\$ 106,695.00	\$ 124,546.00	\$ 109,845.00	\$ 50,902.00	\$ 477,521.00	\$ 51,743.00	\$ -	\$ -	\$ -	\$ -	\$ 51,743.00
Hudson Grille Kennesaw	\$ 193,976.00	\$ 169,929.00	\$ 179,563.00	\$ 172,612.00	\$ 88,611.00	\$ 792,691.00	\$ 87,549.00	\$ 31,845.00	\$ 50,671.00	\$ 89,102.00	\$ 50,498.00	\$ 309,664.00
Joe's on Juniper	\$ 252,881.00	\$ 243,796.00	\$ 251,169.00	\$ 236,521.00	\$ 112,775.00	\$ 1,097,142.00	\$ 98,724.00	\$ -	\$ 50,632.00	\$ 133,829.00	\$ 45,769.00	\$ 328,954.00
Sugar Shack	\$ 34,659.00	\$ 39,702.00	\$ 33,449.00	\$ 33,499.00	\$ 14,948.00	\$ 149,617.00	\$ 16,831.00	\$ -	\$ -	\$ -	\$ -	\$ 16,831.00
Epix Events	\$ 14,856.49	\$ 56,281.23	\$ 33,443.58	\$ 34,514.49	\$ 20,326.35	\$ 159,422.14	\$ 21,975.04	\$ -	\$ -	\$ -	\$ -	\$ 21,975.04
Hudson Grille North Point	\$ 160,789.00	\$ 190,487.00	\$ 125,596.00	\$ 130,138.00	\$ 67,513.00	\$ 614,297.00	\$ 47,328.00	\$ -	\$ -	\$ -	\$ -	\$ 47,328.00
Hudson Grille Tucker	\$ 136,940.00	\$ 113,920.00	\$ 120,120.00	\$ 115,840.00	\$ 56,577.00	\$ 542,797.00	\$ 69,589.00	\$ 27,509.00	\$ 39,407.00	\$ 73,900.00	\$ 43,726.00	\$ 254,131.00
Hudson Grille Sandy Springs	\$ 255,654.00	\$ 209,994.00	\$ 215,283.00	\$ 191,313.00	\$ 80,415.00	\$ 952,639.00	\$ 87,918.00	\$ 17,636.00	\$ 25,633.00	\$ 69,470.00	\$ 41,864.00	\$ 249,521.00
Hudson Grille Downtown	\$ 327,528.00	\$ 290,399.00	\$ 279,054.00	\$ 289,780.00	\$ 128,279.00	\$ 1,315,040.00	\$ 119,524.00	\$ -	\$ 7,639.00	\$ 93,724.00	\$ 62,997.00	\$ 277,884.00
Monthly Totals	\$ 2,082,433.49	\$ 1,862,476.23	\$ 1,901,947.58	\$ 1,784,095.49	\$ 827,237.35	\$ 8,458,190.14	\$ 820,382.04	\$ 124,730.00	\$ 261,382.00	\$ 692,071.00	\$ 367,222.00	\$ 2,269,787.04

- 1077 Juniper Street NE Atlanta, GA 30309
- 942 Peachtree Street NE Atlanta, GA 30309
- 1119 Logan Circle NW Atlanta, GA 30318
- 2500 Cobb Place Lane NW Kennesaw GA 30144
- 1049 Juniper Street NE Atlanta, GA 30309
- 1119 Logan Circle NW Atlanta, GA 30318
- 1119 Logan Circle NW Atlanta GA 30318
- 7955 North Point Parkway Alpharetta GA 30022
- 2075 Northlake Parkway Tucker GA 30084
- 6317 Roswell Rd NE Sandy Springs, GA 30328
- 120 Marietta Street NW Atlanta GA 30303

EXECUTIVE ORDERS

EXHIBITS 1-10

RGM000160



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

DECLARATION OF PUBLIC HEALTH STATE OF EMERGENCY

- WHEREAS:** In late 2019, a new and significant outbreak of respiratory disease caused by a novel coronavirus emerged in Wuhan, China; and
- WHEREAS:** The respiratory disease caused by the novel coronavirus, known as "COVID-19," is an infectious virus that can spread from person-to-person and can result in serious illness or death; and
- WHEREAS:** On March 13, 2020, President Donald Trump declared the outbreak of COVID-19 a national emergency; and
- WHEREAS:** The Centers for Disease Control and Prevention has identified the potential public health threat posed by COVID-19 both globally and in the United States, and has advised that the person-to-person spread of COVID-19 will continue to occur globally, including within the United States; and
- WHEREAS:** The Centers for Disease Control and Prevention has noted that COVID-19 is proliferating via "community spread," meaning people have contracted the virus in areas of Georgia as a result of direct or indirect contact with infected persons, including some who are not sure how or where they became infected; and
- WHEREAS:** Laboratory testing has confirmed more than sixty cases of COVID-19 in Georgia; and
- WHEREAS:** In consultation with the Commissioner of Public Health, the Georgia Coronavirus Task Force, and other state health and emergency preparedness officials, I have determined a public health emergency exists, and that it is necessary and appropriate to take action to protect the health, safety, and welfare of Georgia's residents and visitors to ensure COVID-19 remains controlled throughout this State, as provided by Code Section 38-3-51; and
- WHEREAS:** The uninterrupted supply of medical goods and other emergency related materials, supplies, goods, and services during this

RGM000161

emergency is an essential need of the public and any perceived or actual shortage threatens public welfare; and

WHEREAS: The Federal Motor Carrier Safety Regulations, 49 C.F.R. §§ 390 *et seq.*, prescribes limits on the hours of service for operators of commercial vehicles, and federal law, 23 U.S.C. § 127, sets forth certain weight limitations for vehicles on interstate highways; and

WHEREAS: 49 C.F.R. § 390.23 allows the Governor of a state to suspend these rules and regulations for commercial vehicles responding to an emergency for up to thirty (30) days, if the Governor determines an emergency condition exists.

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That a Public Health State of Emergency exists in the State of Georgia due to the public health emergency from the spread of COVID-19.

IT IS FURTHER

ORDERED: That all resources of the State of Georgia shall be made available to assist in activities designed to address this emergency, control the spread of COVID-19, and aid recovery efforts.

IT IS FURTHER

ORDERED: That the Georgia Emergency Management and Homeland Security Agency shall activate the Georgia Emergency Operations Plan (GEOP) in response to this emergency.

IT IS FURTHER

ORDERED: That the Georgia Department of Public Health, as the state agency responsible for emergency management services under *GEOP Emergency Support Function (ESF) 8 - Public Health and Medical Services*, shall coordinate with the Center for Disease Control and Prevention for release of the Strategic National Stockpile as necessary and appropriate in response to this Public Health State of Emergency.

IT IS FURTHER

ORDERED: That the Georgia Emergency Management and Homeland Security Agency is designated as the lead agency for responding to this public health emergency and shall coordinate all emergency response activities and other matters pertaining to this Public Health State of Emergency.

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IT IS FURTHER

ORDERED:

That acting pursuant to the Governor's authorization, the Georgia Department of Public Health shall coordinate with the Georgia Emergency Management and Homeland Security Agency to take any action necessary to protect the public's health, including, without limitation:

- (1) Planning and executing public health emergency assessments, mitigation, preparedness response, and recovery for the state;
- (2) Coordinating public health emergency responses between state and local authorities;
- (3) Establishing protocols to control the spread of COVID-19;
- (4) Coordinating recovery operations and mitigation initiatives;
- (5) Collaborating with appropriate federal government authorities, elected officials of other states, private organizations, or private sector companies;
- (6) Organizing public information activities regarding the state's public health emergency response operations, including educating the public on prevention of the spread of COVID-19 based on Centers for Disease Control and Prevention's guidelines and the best scientific evidence available;
- (7) Providing special identification for public health personnel involved in this Public Health State of Emergency;
- (8) For all persons meeting the Centers for Disease Control and Prevention's definition of a Person Under Investigation ("PUI"), implementing a program of active monitoring, which may include a risk assessment within twenty-four (24) hours of learning that the person meets the PUI criteria and twice-daily temperature checks for a period of at least fourteen (14) days or until the PUI tests negative for COVID-19; and
- (9) Implementing quarantine, isolation, and other necessary public health interventions consistent with Code Sections 31-12-4 and 38-3-51(i)(2) or as otherwise authorized by law.

IT IS FURTHER

ORDERED:

That all state and local authorities as well as public and private hospitals, healthcare facilities, clinics, and medical personnel shall fully comply with orders by the Governor as authorized by Georgia law, in furtherance of this Order.

IT IS FURTHER

ORDERED:

The Georgia Composite Medical Board is authorized to grant temporary licenses to physicians who apply for a temporary medical license and are currently licensed as a physician in good standing by equivalent boards in other states to assist with the needs of this public health emergency.

IT IS FURTHER

ORDERED: The Georgia Board of Nursing is authorized to grant temporary licenses to nurses who apply for a temporary license and are currently licensed in good standing as an Advanced Practice Registered Nurse, Licensed Practical Nurse, or Registered Professional Nurse by an equivalent board in another state to assist with the needs of this public health emergency.

IT IS FURTHER

ORDERED: That in accordance with 49 C.F.R. 390.23(a)(1)(i)(A), the federal rules and regulations limiting hours operators of commercial vehicles may drive are suspended to ensure that carrier crews are available as needed to provide emergency relief. This declared emergency justifies a suspension of Part 395 (driver's hours of service) of Title 49 of the Code of Federal Regulations. The suspension will remain in effect for thirty (30) days from the date of this Order or until the emergency condition ceases to exist, whichever is less.

IT IS FURTHER

ORDERED: That no motor carrier operating under the terms of this emergency declaration will require or allow an ill or fatigued driver to operate a motor vehicle. A driver who notifies a motor vehicle carrier that he or she needs immediate rest will be given at least ten (10) consecutive hours off-duty before being required to return to service.

IT IS FURTHER

ORDERED: That weight, height, and length for any such vehicle traveling through the State of Georgia for the purposes of providing disaster relief and/or preparation, which traverses roadways maintained by the State of Georgia, shall not exceed the following:

- (1) A maximum gross vehicle weight for vehicles equipped with five (5) weight bearing axles, with an outer bridge span of not less than fifty-one (51) feet, shall not exceed a gross vehicle weight of ninety-five (95) thousand pounds, a maximum width of ten (10) feet and an overall length of one hundred (100) feet. Continuous travel is authorized, with the proper escorts.
- (2) If the width of said vehicle exceeds eight (8) feet six (6) inches and is traveling after daylight, defined as thirty (30) minutes before sunset to thirty (30) minutes after sunrise, the transporter is required to have a vehicle front and a rear escort/amber light when traveling on a two lane roadway and a vehicle rear escort when traveling on a four lane highway.

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Transporters are responsible for ensuring they have proper oversize signs, markings, flags, and escorts as defined in the Georgia Department of Transportation Rules and Regulations.

IT IS FURTHER

ORDERED: That commercial vehicles operating outside the normal weight, height, and length restrictions under the authority of this Executive Order shall be issued permits by the Georgia Department of Public Safety. Said vehicles shall be subject to any special conditions the Georgia Department of Public Safety may list on applicable permits. Nothing in this Executive Order shall be construed to allow any vehicle to exceed weight limits posted for bridges and like structures, nor shall anything in this Executive Order be construed to relieve compliance with restrictions other than those specified in this Executive Order or from any statute, rule, order or other legal requirement not specifically waived herein. Oversize permits may be issued by the Georgia Department of Public Safety, Motor Carrier Compliance Division, during normal business hours, Monday through Friday by calling 404-624-7700 or through the Georgia Permitting and Routing Optimization System online portal at <https://gapros.dot.ga.gov/>.

IT IS FURTHER

ORDERED: That during preparation, response, and recovery activities for this Public Health Emergency, price gouging of goods and services necessary to support Public Health would be detrimental to the social and economic welfare of the citizens of this State, and thus Code Section 10-1-393.4, prohibiting price gouging, remains in effect.

IT IS FURTHER

ORDERED: That pursuant to Code Section 38-3-51(a), the General Assembly shall convene for a special session, beginning on March 16, 2020, at 8:00 A.M. for the purpose of concurring with or terminating this Public Health State of Emergency.

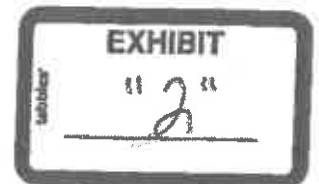
IT IS FURTHER

ORDERED: That the State of Emergency shall terminate on April 13, 2020, at 11:59 P.M., unless it is renewed by the Governor.

This 14th day of March 2020, at 10:15 A.M.


GOVERNOR

RGM000165



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

SCHOOL CLOSURES TO STOP SPREAD OF COVID-19

- WHEREAS:** On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
- WHEREAS:** The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
- WHEREAS:** The Georgia Department of Public Health has determined that COVID-19 is spreading through Georgia communities; and
- WHEREAS:** The number of COVID-19 cases in Georgia continues to rise; and
- WHEREAS:** Further action is necessary to protect the health and safety of the population of Georgia, slow the spread of COVID-19, reduce the number of people who will become infected, and avoid unnecessary strain on Georgia's healthcare system; and
- WHEREAS:** During a state of emergency, Georgia law vests the Governor with powers and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and
- WHEREAS:** Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency, if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and
- WHEREAS:** In consultation with the Governor's Coronavirus Task Force and local, state, and federal education, health and emergency preparedness officials, I have determined that closing all elementary, secondary, and post-secondary public schools in Georgia is a necessary and appropriate action to protect the health, safety, and welfare of Georgia's residents and visitors to help control the spread of COVID-19 throughout this State.

RGM000166

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That all public elementary, secondary, and post-secondary schools in Georgia close beginning Wednesday, March 18, 2020, and shall remain closed through Tuesday, March 31, 2020, unless extended beyond that date.

IT IS FURTHER

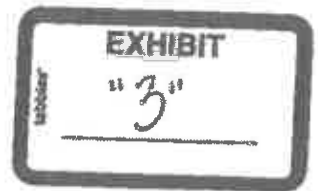
ORDERED: That the Georgia Department of Public Health and the Georgia Department of Education implement measures providing for the health, nutrition, safety, educational needs, and well-being of students during this mandated school closure period.

This 16th day of March 2020.



GOVERNOR

RGM000167



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

WHEREAS: On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order No. 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and

WHEREAS: The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and

WHEREAS: The number of COVID-19 cases in Georgia continues to rise; and

WHEREAS: The Georgia Department of Public Health has determined that COVID-19 is spreading throughout communities, requiring the implementation of certain restrictions to limit the spread; and

WHEREAS: The Centers for Disease Control and Prevention has determined that older adults and people of any age who have serious underlying medical conditions may be at higher risk for more serious complications from COVID-19; and

WHEREAS: Code Section 38-3-51(c)(4) vests the Governor with the power to perform and exercise such other functions, powers, and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and

WHEREAS: Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and

WHEREAS: Code Sections 31-2A-4 and 31-12-4 vest the Department of Public Health with the power to segregate and isolate individuals with certain communicable diseases or conditions when said individuals' exposure to the general population is likely to endanger the health of others; and

RGM000168

WHEREAS: In consultation with the Governor's Coronavirus Task Force and health and emergency preparedness officials, I have determined that the following temporary actions are necessary and appropriate to protect the health, safety, and welfare of Georgia's residents and visitors.

NOW, THEREFORE, PURSUANT TO THE AFOREMENTIONED GEORGIA LAW AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That the Department of Public Health shall order certain persons within the State of Georgia who have serious underlying conditions likely to cause an increased spread of COVID-19, if such persons were to become infected, to isolate, quarantine, or shelter in place within their homes or place of residence. This order by the Department of Public Health shall include the following populations within the State:

- (1) Those persons who live in a nursing home or long-term care facility;
- (2) Those persons who have chronic lung disease;
- (3) Those persons who are currently undergoing cancer treatment; and
- (4) Those persons included in Department of Public Health Administrative Order 03.22.20.01.

IT IS FURTHER

ORDERED: That the Department of Public Health shall promulgate rules and regulations necessary to effectuate this Order, including provisions to allow persons quarantined, isolated, or sheltered in place according to this Order to seek essential services, make necessary travel, and receive specific visitors in end-of-life circumstances.

IT IS FURTHER

ORDERED: That all businesses which possess a license to operate as or otherwise meet the definition of "Bar" as defined by Code Section 3-1-2(2.1) shall cease operation while this Order is in effect.

IT IS FURTHER

ORDERED: That no business, establishment, corporation, non-profit corporation, or organization shall allow more than ten (10) persons to be gathered at a single location if such gathering requires persons to stand or to be seated within six (6) feet of any other person.

IT IS FURTHER

ORDERED: That the Department of Public Health is authorized to mandate the closure of any business, establishment, corporation, non-profit

RGM000169

corporation, or organization not in compliance with this order for a period not to extend beyond the term of this Order.

IT IS FURTHER

ORDERED: That the Commissioner of the Department of Public Safety shall provide available resources to assist in the enforcement of this Order.

IT IS FURTHER

ORDERED: That in order to mitigate the possibility of more severe action in the future, the Department of Public Health, in accordance with Code Section 38-3-51(i)(1)(E), shall undertake a public information activities to encourage organizations and businesses to protect the public by adhering to Centers for Disease Control and Prevention guidelines for preventing the spread of the novel coronavirus, COVID-19. The public information campaign shall encourage businesses to undertake more extensive sanitation efforts, to encourage curbside pick-up or home delivery of purchased items, to limit personal interaction during transactions, and to limit the number of persons within their place of business.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

ORDERED: All provisions of the Order shall become effective for a period of fourteen days, beginning at 12:00 P.M. on Tuesday, March 24, 2020, and expiring at 12:00 P.M. on Monday, April 6, 2020.

This 23rd day of March 2020, at 5:58 P.M.



GOVERNOR

RGM000170



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

EXTENDED SCHOOL CLOSURES TO STOP SPREAD OF COVID-19

- WHEREAS:** On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
- WHEREAS:** The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
- WHEREAS:** Executive Order 03.16.20.01 closed public elementary, secondary, and post-secondary schools in Georgia through March 31, 2020; and
- WHEREAS:** The Georgia Department of Public Health has determined that COVID-19 is spreading through communities; and
- WHEREAS:** The number of COVID-19 cases in Georgia continues to rise; and
- WHEREAS:** Further action is necessary to protect the health and safety of the population of Georgia, slow the spread of COVID-19, reduce the number of people who will become infected, and avoid unnecessary strain on Georgia's healthcare system; and
- WHEREAS:** During a state of emergency, Georgia law vests the Governor with powers and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and
- WHEREAS:** Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and
- WHEREAS:** In consultation with the Governor's Coronavirus Task Force and education, health, and emergency preparedness officials, I have determined that an extended closure of elementary, secondary, and post-secondary public schools is a necessary and appropriate action to protect the health, safety, and welfare of Georgia's residents and visitors to control the spread of COVID-19.

RGM000171

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That school closures mandated by Executive Order 03.16.20.01 are hereby extended by the terms included in this Order.

IT IS FURTHER

ORDERED: That public elementary and secondary schools shall remain closed for in-person instruction through April 24, 2020 with limited exceptions for meal preparation and distribution, continuity of distant learning opportunities, and any other necessary functions as determined by the local school superintendent.

IT IS FURTHER

ORDERED: That public post-secondary schools shall remain closed for in-person instruction with limited exceptions for the rest of the semester.

IT IS FURTHER

ORDERED: That actions not addressed by this Order related to the health, safety, and welfare of the students, faculty, and staff of the University System of Georgia and Technical College System of Georgia may be determined by the Chancellor of the University System of Georgia and Commissioner of the Technical College System of Georgia for their respective post-secondary education systems.

IT IS FURTHER

ORDERED: That this Order shall not prevent remote learning or online programs developed for students by the University System of Georgia, the Technical College System of Georgia, the Georgia Board of Education, or any local school district.

IT IS FURTHER

ORDERED: That the Georgia Department of Public Health and Georgia Department of Education implement measures for the health, nutrition, safety, and educational needs of students during this school closure period.

This 26th day of March 2020.



GOVERNOR

RGM000172



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

EXTENDED SCHOOL CLOSURES TO STOP SPREAD OF COVID-19

- WHEREAS:** On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
- WHEREAS:** The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
- WHEREAS:** Executive Order 03.16.20.01 closed all public elementary, secondary, and post-secondary schools in Georgia through Tuesday, March 31, 2020; and
- WHEREAS:** The Georgia Department of Public Health has determined that COVID-19 is spreading through Georgia communities; and
- WHEREAS:** The number of COVID-19 cases in Georgia continues to rise; and
- WHEREAS:** Further action is necessary to protect the health and safety of the population of Georgia, slow the spread of COVID-19, reduce the number of people who will become infected, and avoid unnecessary strain on Georgia's healthcare system; and
- WHEREAS:** During a state of emergency, Georgia law vests the Governor with powers and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and
- WHEREAS:** Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency, if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and
- WHEREAS:** In consultation with the Governor's Coronavirus Task Force and local, state, and federal education, health and emergency preparedness officials, I have determined that an extended closure of

RGM000173

all elementary, secondary, and post-secondary public schools in Georgia is a necessary and appropriate action to protect the health, safety, and welfare of Georgia's residents and visitors to help control the spread of COVID-19 throughout this State.

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That the school closures mandated by Executive Order 03.26.20.02 are hereby extended by the terms included in this Order.

IT IS FURTHER

ORDERED: That all public elementary and secondary schools shall remain closed through the end of the 2019-2020 school year.

IT IS FURTHER

ORDERED: That all post-secondary public schools shall remain closed for instruction to graduate and undergraduate students through the end of the 2019-2020 school year.

IT IS FURTHER

ORDERED: That actions not addressed by this Order related to the health, safety, and welfare of the students, faculty, and staff of the University System of Georgia and the Technical College System of Georgia may be determined by the Chancellor of the University System of Georgia and the Commissioner of the Technical College System of Georgia for their respective post-secondary education systems.

IT IS FURTHER

ORDERED: That for the purposes of online learning, each local school district may establish a final day of classes pursuant to each district's authority conveyed by Code Section 20-2-49 *et seq.*

IT IS FURTHER

ORDERED: That this Order shall not prevent remote learning or online programs developed for students by the University System of Georgia, the Technical College System of Georgia, the Georgia Board of Education, or any local school district.

IT IS FURTHER

ORDERED: That this Order shall not prevent faculty or staff of any system, school district, or school from being asked to work or return to their respective campuses as needed to maintain essential services.

RGM000174

IT IS FURTHER

ORDERED: That the Georgia Department of Public Health and the Georgia Department of Education implement measures providing for the health, nutrition, safety, educational needs, and well-being of students during this mandated school closure period.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

This 1st day of April 2020.



GOVERNOR

RGM000175



THE STATE OF GEORGIA
EXECUTIVE ORDER

BY THE GOVERNOR:

EXECUTIVE ORDER TO ENSURE A SAFE & HEALTHY GEORGIA

- WHEREAS: On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order No. 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
WHEREAS: The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
WHEREAS: The number of COVID-19 cases in Georgia continues to rise; and
WHEREAS: The Georgia Department of Public Health has determined that COVID-19 is spreading throughout communities, requiring the implementation of certain restrictions to limit the spread; and
WHEREAS: The Centers for Disease Control and Prevention has determined that older adults, people of any age who have serious underlying medical conditions, and certain other people groups may be at higher risk for more serious complications from COVID-19; and
WHEREAS: Code Section 38-3-51(c)(4) vests the Governor with the power to perform and exercise such other functions, powers, and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and
WHEREAS: Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and
WHEREAS: Code Sections 31-2A-4 and 31-12-4 vests the Department of Public Health with the power to segregate and isolate certain individuals with certain communicable diseases or conditions when said

RGM000176

individuals' exposure to the general population is likely to endanger the health of others; and

WHEREAS: In consultation with the Governor's Coronavirus Task Force and health and emergency preparedness officials, I have determined that the following temporary actions are necessary and appropriate to protect the health, safety, and welfare of Georgia's residents and visitors.

NOW, THEREFORE, PURSUANT TO AFOREMENTIONED GEORGIA LAW AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: All residents and visitors of the State of Georgia shall practice social distancing and sanitation in accordance with this Order and guidelines published by the Centers for Disease Control and Prevention.

IT IS FURTHER

ORDERED: No business, establishment, corporation, non-profit corporation, organization, or county or municipal government shall allow more than ten (10) persons to be gathered at a single location if such gathering requires persons to stand or to be seated within six (6) feet of any other person. This provision shall not apply to cohabitating persons outside of their homes, family units or roommates residing together in private homes, or entities defined as "Critical Infrastructure" by this Order.

IT IS FURTHER

ORDERED: That as used in this Order, the term "single location" shall be interpreted to mean a space where all persons gathered cannot maintain at least six (6) feet of distance between themselves and any other person. The term "single location" shall not include private residences.

IT IS FURTHER

ORDERED: That all residents and visitors of the State of Georgia are required to shelter in place within their homes or places of residence, meaning remaining in their place of residence and taking every possible precaution to limit social interaction to prevent the spread or infection of COVID-19 to themselves or any other person, unless they are:

1. Conducting or participating in Essential Services;

RGM000177

2. Performing Necessary Travel;
3. Are engaged in the performance of, or travel to and from, the performance of Minimum Basic Operations for a business, establishment, corporation, non-profit corporation, or organization not classified as Critical Infrastructure; or
4. Are part of the workforce for Critical Infrastructure and are actively engaged in the performance of, or travel to and from, their respective employment.

IT IS FURTHER

ORDERED: That Essential Services permitted pursuant to the provisions of this Order are limited to the following:

1. Obtaining necessary supplies and services for family or household members, such as food and supplies for household consumption and use, medical supplies or medication, supplies and equipment needed to work from home, and products needed to maintain safety, sanitation, and essential maintenance of the home or residence. Preference should be given to online ordering, home delivery, and curbside pick-up services wherever possible as opposed to in-store shopping.
2. Engaging in activities essential for the health and safety of family or household members, such as seeking medical, behavioral health, or emergency services.
3. Engaging in outdoor exercise activities so long as a minimum distance of six (6) feet is maintained during such activities between all persons who are not occupants of the same household or residence.

IT IS FURTHER

ORDERED: That Necessary Travel permitted under this Order is limited to such travel as is required to conduct or participate in Essential Services, Minimum Basic Operations, or Critical Infrastructure as defined by this Order.

IT IS FURTHER

ORDERED: That Minimum Basic Operations are limited to:

1. The minimum necessary activities to maintain the value of a business, establishment, corporation, non-profit corporation, or organization, provide services, manage inventory, ensure security, process payroll and employee benefits, or for related functions. Such minimum necessary activities include remaining open to the public subject to the restrictions of this Order.

2. The minimum necessary activities to facilitate employees or volunteers being able to work remotely from their residences or members or patrons being able to participate remotely from their residences.
3. Instances where employees are working outdoors without regular contact with other persons, such as delivery services, contractors, landscape businesses, and agricultural industry services.

IT IS FURTHER

ORDERED:

That all businesses, establishments, corporations, non-profit corporations, or organizations that are *not* Critical Infrastructure shall only engage in Minimum Basic Operations as defined in this Order during the effective dates of this Order. Such entities shall also implement measures which mitigate the exposure and spread of COVID-19 among its workforce. Such measures shall include the following:

1. Screening and evaluating workers who exhibit signs of illness, such as a fever over 100.4 degrees Fahrenheit, cough, or shortness of breath;
2. Requiring workers who exhibit signs of illness to not report to work or to seek medical attention;
3. Enhancing sanitation of the workplace as appropriate;
4. Requiring hand washing or sanitation by workers at appropriate places within the business location;
5. Providing personal protective equipment as available and appropriate to the function and location of the worker within the business location;
6. Prohibiting gatherings of workers during working hours;
7. Permitting workers to take breaks and meals outside, in their office or personal workspace, or in such other areas where proper social distancing is attainable;
8. Implementing teleworking for all possible workers;
9. Implementing staggered shifts for all possible workers;
10. Holding all meetings and conferences virtually, wherever possible;
11. Delivering intangible services remotely wherever possible;
12. Discouraging workers from using other workers' phones, desks, offices, or other work tools and equipment;
13. Prohibiting handshaking and other unnecessary person-to-person contact in the workplace;
14. Placing notices that encourage hand hygiene at the entrance to the workplace and in other workplace areas where they are likely to be seen;
15. Suspending the use of Personal Identification Number ("PIN") pads, PIN entry devices, electronic signature capture,

- and any other credit card receipt signature requirements to the extent such suspension is permitted by agreements with credit card companies and credit agencies;
16. Enforcing social distancing of non-cohabitating persons while present on such entity's leased or owned property;
 17. For retailers and service providers, providing for alternative points of sale outside of buildings, including curbside pick-up or delivery of products and/or services if an alternative point of sale is permitted under Georgia law;
 18. Increasing physical space between workers and customers;
 19. Providing disinfectant and sanitation products for workers to clean their workspace, equipment, and tools;
 20. Increasing physical space between workers' worksites to at least six (6) feet.

IT IS FURTHER

ORDERED:

The term "Critical Infrastructure" shall refer to businesses, establishments, corporations, non-profit corporations, and organizations as defined by the U.S. Department of Homeland Security as "essential critical infrastructure workforce," in guidance dated March 19, 2020, and revised on March 28, 2020, and those suppliers which provide essential goods and services to the critical infrastructure workforce as well as entities that provide legal services, home hospice, and non-profit corporations or non-profit organizations that offer food distribution or other health or mental health services. The operation of Critical Infrastructure shall not be impeded by county, municipal, or local ordinance.

Critical Infrastructure that continues in-person operation during the effective dates of this Order shall implement measures which mitigate the exposure and spread of COVID-19 among its workforce. Such measures may include, but shall not be limited to:

1. Screening and evaluating workers who exhibit signs of illness, such as a fever over 100.4 degrees Fahrenheit, cough, or shortness of breath;
2. Requiring workers who exhibit signs of illness to not report to work or to seek medical attention;
3. Enhancing sanitation of the workplace as appropriate;
4. Requiring hand washing or sanitation by workers at appropriate places within the business location;
5. Providing personal protective equipment as available and appropriate to the function and location of the worker within the business location;
6. Prohibiting gatherings of workers during working hours;

7. Permitting workers to take breaks and lunch outside, in their office or personal workspace, or in such other areas where proper social distancing is attainable;
8. Implementing teleworking for all possible workers;
9. Implementing staggered shifts for all possible workers;
10. Holding all meetings and conferences virtually, wherever possible;
11. Delivering intangible services remotely wherever possible;
12. Discouraging workers from using other workers' phones, desks, offices, or other work tools and equipment;
13. Providing disinfectant and sanitation products for workers to clean their workspace, equipment, and tools;
14. Prohibiting handshaking and other unnecessary person-to-person contact in the workplace; and
15. Placing notices that encourage hand hygiene at the entrance to the workplace and in other workplace areas where they are likely to be seen; and
16. Suspending the use of Personal Identification Number ("PIN") pads, PIN entry devices, electronic signature capture, and any other credit card receipt signature requirements to the extent such suspension is permitted by agreements with credit card companies and credit agencies.

IT IS FURTHER

ORDERED: That the Georgia Department of Economic Development is authorized to issue guidance to any business, corporation, organization, or industry trade group regarding its status as Critical Infrastructure. This guidance shall not require a finding of fact but shall be in writing and shall be considered a final agency action for the purpose of proceedings under Code Section 50-13-19.

IT IS FURTHER

ORDERED: All restaurants and private social clubs shall cease providing dine-in services. Takeout, curbside pick-up, and delivery are permitted in accordance with the provisions of this Order.

This provision shall not limit the operation of dine-in services in hospitals, healthcare facilities, nursing homes, or other long-term care facilities; however, to the extent possible, such facilities should offer in-room dining.

IT IS FURTHER

ORDERED: That all gyms, fitness centers, bowling alleys, theaters, live performance venues, operators of amusement rides as defined by

Code Section 25-15-51, body art studios permitted pursuant to Code Section 31-40-2, businesses registered pursuant to Code Sections 43-10-11 and 43-10-18, estheticians as defined by Code Section 43-10-1(8), hair designers as defined by Code Section 43-10-1(9), persons licensed to practice massage therapy pursuant to Code Section 43-24A-8, and businesses which possess a license to operate as or otherwise meet the definition of "bar" as defined by Code Section 3-1-2(2.1), shall cease in-person operations and shall close to the public while this Order is in effect.

IT IS FURTHER

ORDERED:

That persons required to shelter in place under any provision of this Order shall not receive visitors, except as follows:

1. Visitors providing medical, behavioral health, or emergency services or medical supplies or medication, including home hospice;
2. Visitors providing support for the person to conduct activities of daily living or instrumental activities of daily living;
3. Visitors providing necessary supplies and services, such as food and supplies for household consumption and use, supplies and equipment needed to work from home, and products needed to maintain safety, sanitation, and essential maintenance of the home or residence; or
4. Visitors received during end-of-life circumstances.

To the extent practicable under the circumstances, visitors shall maintain a minimum distance of six (6) feet between themselves and all other occupants of the person's home or residence. Any visitors visiting for the sole purpose of delivering medication, supplies, or other tangible goods shall, to the extent practicable, deliver such items in a manner that does not require in-person contact or require the deliverer to enter the person's home or residence.

IT IS FURTHER

ORDERED:

That the provisions of this Order related to visitors listed in the immediately preceding paragraph shall be strictly enforced against nursing homes or other long-term care facilities, including inpatient hospice, assisted living communities, personal care homes, intermediate care homes, community living arrangements, and community integration homes.

IT IS FURTHER

ORDERED:

That an exception to any shelter-in-place requirement set forth hereunder applies in the event of an emergency. In such cases,

persons are encouraged to leave their homes or residences and shelter in place in accordance with the rules included in this Order at a safe alternate location. Persons experiencing homelessness are urged to obtain shelter and to contact governmental and other entities for assistance.

IT IS FURTHER

ORDERED: That the Department of Public Health, the Department of Public Safety, or any other state department or state officer deputized by the Governor or the Georgia Emergency Management and Homeland Security Agency are, after providing reasonable notice, authorized to mandate the closure of any business, establishment, corporation, non-profit corporation, or organization not in compliance with this Order for a period not to extend beyond the term of this Order.

IT IS FURTHER

ORDERED: That the Adjutant General of the Georgia National Guard and the Commissioner of the Department of Public Safety shall provide resources as requested to assist in the enforcement of this Order.

IT IS FURTHER

ORDERED: That pursuant to Code Section 38-3-51, the powers of counties and cities conveyed in Titles 36 and 38, including those specific powers enumerated in Code Sections 36-5-22.1 and 36-35-3 are hereby suspended to the extent of suspending enforcement of any local ordinance or order adopted or issued since March 1, 2020, with the stated purpose or effect of responding to a public health state of emergency, ordering residents to shelter-in-place, ordering a quarantine, or combatting the spread of coronavirus or COVID-19 that in any way conflicts, varies, or differs from the terms of this Order. Enforcement of all such ordinances and orders is hereby suspended and no county or municipality shall adopt any similar ordinance or order while this Order is in effect, except for such ordinances or orders as are designed to enforce compliance with this Order.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall conflict with the provisions of any previous Executive Order or Agency Administrative Order, the provisions of this Order shall control. Further, in the event of any conflict, the provisions of any quarantine or isolation Order issued to a specific person by the Department of Public Health shall control.

IT IS FURTHER

ORDERED: That nothing in this Order shall be construed to suspend or limit the sale, dispensing, or transportation of firearms or ammunition, or any component thereof.

IT IS FURTHER

ORDERED: That pursuant to Code Section 38-3-7, any person who violates this Order shall be guilty of a misdemeanor. Officials enforcing this Order should take reasonable steps to provide notice prior to issuing a citation or making an arrest.

IT IS FURTHER

ORDERED: This Order rescinds and replaces Executive Order 03.23.20.01.

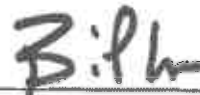
IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

ORDERED: All provisions of the Order shall become effective for a period beginning at 6:00 P.M. on Friday, April 3, 2020, and expiring at 11:59 P.M. on Monday, April 13, 2020.

This 2nd day of April 2020, at 3:12 P.M.



GOVERNOR

RGM000184



THE STATE OF GEORGIA

EXECUTIVE ORDER

BY THE GOVERNOR:

WHEREAS: On April 2, 2020, I signed Executive Order 04.02.20.01 requiring residents and visitors of the State of Georgia to shelter in place in their homes for a period beginning April 3, 2020, at 6:00 PM and ending on April 13, 2020 at 11:59 PM; and

WHEREAS: Pursuant to Code Sections 38-3-4 and 38-3-7, Sheriffs and their respective offices already have the authority to enforce violations of Title 38, Chapter 3; and

WHEREAS: In Executive Order 04.02.20.01, I reserved the power to mandate the closure of any business, establishment, corporation, non-profit corporation, or organization not in compliance with Executive Order 04.02.20.01 to those officers that I appoint for that purpose; and

WHEREAS: As constitutional officers of the State of Georgia who are present in every county, sheriffs are uniquely positioned law enforcement officers who can assist in the State's response to the outbreak of the novel coronavirus, COVID-19.

NOW, THEREFORE, PURSUANT TO EXECUTIVE ORDER 04.02.20.01, CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That the Sheriffs of this State, elected pursuant to GA. CONST. ART. 9, § 1, ¶ III, and serving in office pursuant to Code Section 15-16-1 *et seq.*, and their deputies, are hereby authorized to enforce the closure of businesses, establishments, corporations, non-profit corporations, or organizations in accordance with Executive Order 04.02.20.01.

IT IS FURTHER

RGM000185

ORDERED: That Sheriffs enforcing this Order should take reasonable steps to provide notice and a reasonable time to allow businesses, establishments, corporations, non-profit corporations, and organizations the opportunity to comply with directions from sheriffs or their deputies prior to mandating closure.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

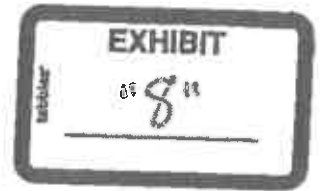
ORDERED: All provisions of the Order shall become effective for a period beginning at 6:00 P.M. on Friday, April 3, 2020, and expiring at 11:59 P.M. on Monday, April 13, 2020.

This 3rd day of April 2020, at 11:29 A.M.



GOVERNOR

RGM000186



THE STATE OF GEORGIA
EXECUTIVE ORDER

BY THE GOVERNOR:

RENEWAL OF PUBLIC HEALTH STATE OF EMERGENCY

WHEREAS: On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order No. 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and

WHEREAS: The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and

WHEREAS: Code Section 38-3-51 vests the Governor with the power to renew any State of Emergency for a period not to exceed thirty (30) days; and

WHEREAS: In consultation with the Commissioner of Public Health, the Director of the Georgia Emergency Management and Homeland Security Agency, the Adjutant General of the Georgia National Guard, and other state health and emergency preparedness officials, I have determined the public health emergency created by the spread of COVID-19 persists in the State, and that it is necessary and appropriate to renew the Public Health State of Emergency for thirty (30) days.

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That the Public Health State of Emergency declared by Executive Order 03.14.20.01, which is set to expire on Monday, April 13, 2020 at 11:59 P.M., shall be renewed for thirty (30) days.

IT IS FURTHER

ORDERED: That the Public Health State of Emergency shall terminate on May 13, 2020, at 11:59 P.M., unless it is renewed by the Governor.

IT IS FURTHER

ORDERED: That the terms of Executive Order 03.14.20.01 are hereby adopted by reference.

IT IS FURTHER

ORDERED: That Executive Orders 04.02.20.01, 04.03.20.01, and 04.03.20.02 which are set to expire on Monday, April 13, 2020, at 11:59 P.M. are hereby extended for a period of seventeen (17) days, and shall expire on Thursday, April 30, 2020, at 11:59 P.M.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had not been included in the Order.

IT IS FURTHER

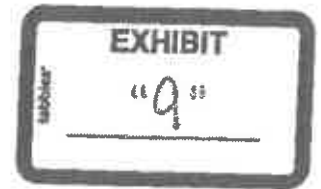
ORDERED: All provisions of this Order shall become effective upon signature.

This 8th day of April 2020, at 2:41 PM



GOVERNOR

RGM000188



THE STATE OF GEORGIA
EXECUTIVE ORDER

BY THE GOVERNOR:

RENEWAL OF PUBLIC HEALTH STATE OF EMERGENCY

- WHEREAS: On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order No. 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
WHEREAS: The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
WHEREAS: On April 8, 2020, I renewed the Public Health State of Emergency until May 13, 2020 by issuing Executive Order 04.08.20.02; and
WHEREAS: Code Section 38-3-51 vests the Governor with the power to renew any State of Emergency for a period not to exceed thirty (30) days; and
WHEREAS: There exists a continued need for protecting vulnerable populations, providing comprehensive testing, permitting economic flexibility with reduced regulations, providing increased hospital capacity, and allowing the state expanded flexibility for procurement; and
WHEREAS: In consultation with the Commissioner of Public Health, the Director of the Georgia Emergency Management and Homeland Security Agency, the Adjutant General of the Georgia National Guard, and other state health and emergency preparedness officials, I have determined the public health emergency created by the spread of COVID-19 persists in the State, and that it is necessary and appropriate to renew the Public Health State of Emergency for thirty (30) days.

NOW, THEREFORE, PURSUANT TO CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

ORDERED: That the Public Health State of Emergency declared by Executive Order 03.14.20.01 and renewed by Executive Order 04.08.20.02,

which is set to expire on Wednesday, May 13, 2020 at 11:59 P.M., shall be renewed for thirty (30) days.

IT IS FURTHER

ORDERED: That the Public Health State of Emergency shall terminate on Friday, June 12, 2020, at 11:59 P.M., unless it is renewed by the Governor.

IT IS FURTHER

ORDERED: That the terms of Executive Orders 03.14.20.01 and 04.08.20.02 are hereby adopted by reference.

IT IS FURTHER

ORDERED: That Executive Orders 04.08.20.03, 04.08.20.05, and Section III of Executive Order 04.23.20.02 titled "Sheltering in Place" are hereby extended for a period of forty-three (43) days, and shall expire on Friday, June 12, 2020, at 11:59 P.M.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall conflict with the provisions of any previous Executive Order or Agency Administrative Order, the provisions of this Order shall control. Further, in the event of any conflict, the provisions of any Quarantine or Isolation Order issued to a specific person by the Department of Public Health shall control.

IT IS FURTHER

ORDERED: That nothing in this Order shall be construed to suspend or limit the sale, dispensing, or transportation of firearms or ammunition, or any component thereof.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

ORDERED: That no provision of this Order shall limit, infringe, suspend, or supplant any rights conferred by or any judicial order, judgment, or decree issued pursuant to the laws or constitution of this State or the

laws or constitution of the United States, nor shall any person use any provision this Order as a defense to an action in violation of a judicial order, judgment, or decree by any court created pursuant to the laws or constitution of this State or the laws or constitution of the United States.

IT IS FURTHER

ORDERED: The Office of the Governor may continue to issue guidance on the scope of this Order as needed through communication media, including social media, without need for further Executive Orders.

IT IS FURTHER

ORDERED: All provisions of this Order shall become effective upon signature.

This 30th day of April 2020.



GOVERNOR

RGM000191



THE STATE OF GEORGIA
EXECUTIVE ORDER

BY THE GOVERNOR:

REVIVING A HEALTHY GEORGIA

- WHEREAS:** On March 14, 2020, due to the impact of COVID-19 on the State of Georgia, I issued Executive Order No. 03.14.20.01, declaring a Public Health State of Emergency in Georgia; and
- WHEREAS:** The Georgia General Assembly concurred with Executive Order 03.14.20.01 by joint resolution on March 16, 2020; and
- WHEREAS:** On April 8, 2020, I renewed the Public Health State of Emergency until May 13, 2020 by issuing Executive Order 04.08.20.02; and
- WHEREAS:** On April 30, 2020, I renewed the Public Health State of Emergency until June 12, 2020 by issuing Executive Order 04.30.20.01; and
- WHEREAS:** Code Section 38-3-51(c)(4) vests the Governor with the power to perform and exercise such other functions, powers, and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population; and
- WHEREAS:** Code Section 38-3-51(d)(1) vests the Governor with the power to suspend any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency if strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency or disaster; and
- WHEREAS:** Code Sections 31-2A-4 and 31-12-4 vests the Department of Public Health with the power to segregate and isolate certain individuals with certain communicable diseases or conditions when said individuals' exposure to the general population is likely to endanger the health of others; and

RGM000192

WHEREAS: Corporations that are calling and holding meetings of shareholders pursuant to Code Sections 14-2-701 or 14-2-702 are required to deliver advance notice and meet other legal requirements under the laws of the State of Georgia, as well as the federal securities laws of the United States, in advance of convening such meetings; and

WHEREAS: In consultation with the Governor's Coronavirus Task Force and health and emergency preparedness officials, I have determined that the following actions are necessary and appropriate to protect the strength of Georgia's economy and provide for the health, safety, and welfare of Georgia's residents and visitors.

NOW, THEREFORE, PURSUANT TO THE AFOREMENTIONED GEORGIA LAW, CODE SECTION 38-3-51, AND THE AUTHORITY VESTED IN ME AS THE GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY

I. GENERAL PROVISIONS

ORDERED: That unless otherwise noted, the provisions contained in this Order shall be effective from May 14, 2020 at 12:00 A.M. until May 31, 2020 at 11:59 P.M.

IT IS FURTHER

ORDERED: That all residents and visitors of the State of Georgia shall practice Social Distancing as defined herein and refrain from Gathering as defined herein.

IT IS FURTHER

ORDERED: That all residents and visitors of the State of Georgia are strongly encouraged to wear face coverings as practicable while outside their homes or place of residence, except when eating, drinking, or exercising outdoors.

IT IS FURTHER

ORDERED: All residents and visitors of the State of Georgia shall practice sanitation in accordance with the guidelines published by the Centers for Disease Control and Prevention.

IT IS FURTHER

ORDERED: That no business, establishment, corporation, non-profit corporation, organization, or county or municipal government shall allow Gatherings of persons. This provision shall not apply to

cohabitating persons, family units, or roommates residing together in private homes, whether inside or outside of their homes or place of residence. This provision shall also not apply to entities defined as "Critical Infrastructure."

II. DEFINITIONS

IT IS FURTHER

ORDERED:

That the following definitions shall apply to this Order:

1. "Camper" shall mean any person that attends a Summer Camp as a participant. This provision shall specifically exclude those persons who volunteer or work at Summer Camps.
2. "Critical Infrastructure" shall include all Workers, businesses, establishments, corporations, non-profit corporations, and organizations included in versions 1.0, 2.0, and 3.0 of Guidance on Essential Critical Infrastructure Workers released by the U.S. Department of Homeland Security on March 19, 2020, March 28, 2020, and April 17, 2020, respectively. The term "Critical Infrastructure" shall also include those suppliers which provide essential goods and services to the Critical Infrastructure workforce as well as entities that provide legal services, home hospice, and non-profit corporations or non-profit organizations that offer food distribution or other health or mental health services.
3. "Essential Services" shall include those activities outlined below.
 - A. Obtaining necessary supplies and services for family or household members, such as food and supplies for household consumption and use, medical supplies or medication, supplies and equipment needed to work from home, and products needed to maintain safety, sanitation, and essential maintenance of the home or residence. Preference should be given to online ordering, home delivery, and curbside pick-up services wherever possible as opposed to in-store shopping.
 - B. Engaging in activities essential for the health and safety of family or household members.
 - C. Seeking medical, behavioral health, or emergency services.
 - D. Activities that may preserve the health and welfare of persons within this State.
 - E. The transport, visitation, and regular care of family members and persons dependent on the services of

others, and similar actions that ensure the welfare and best interests of persons in the State of Georgia, specifically including the elderly, children, and disabled populations.

- F. Children obtaining public internet access to fulfill educational obligations.
 - G. Engaging in outdoor exercise activities so long as Social Distancing is practiced during such activities between all persons who are not occupants of the same household or residence.
4. "Gathering" shall mean more than ten (10) persons physically present at a Single Location if, to be present, persons are required to stand or be seated within six (6) feet of any other person. Therefore, groups of more than ten (10) people are permitted if their grouping is transitory or incidental, or if their grouping is the result of being spread across more than one Single Location.
 5. "Hand Sanitizer" shall mean any hand antiseptic, hand rub, soap, or agent applied to the hands for the purpose of removing common pathogens.
 6. "Necessary Travel" shall mean such travel as is required to conduct or participate in Essential Services or Critical Infrastructure as defined by this Order.
 7. "Personal Protective Equipment" shall mean surgical masks, N95 masks, respirators, other facemasks, protective gloves, protective clothing, protective garments, and shoe coverings.
 8. "Restaurants and Dining Rooms" shall mean any entity defined as a "food service establishment" pursuant to Code Section 26-2-370(2).
 9. "Shelter in Place" shall mean a person is required to remain in their home or place of residence and take every possible precaution to limit social interaction to prevent the spread or infection of COVID-19 to themselves or any other person, subject to the provisions and exceptions of this Order.
 10. "Single Location" shall mean a space where all persons gathered cannot maintain at least six (6) feet of distance between themselves and any other person.
 11. "Social Distancing" shall mean keeping space between yourself and other people outside of your home or place of residence. Persons practicing Social Distancing should stay at least six (6) feet from other people, avoid assembling in groups, avoid crowded places, and avoid large crowds. This provision shall not apply to cohabitating persons, family units, or roommates residing together in private homes, whether inside or outside of their homes or place of residence.
 12. "Summer Camp" shall mean any entity offering organized sessions of supervised recreational, athletic, or instructional

activities held between typical school terms. This term shall include those entities commonly referred to as "day camps."

13. "Worker" shall include employees, independent contractors, agents, volunteers, or other representatives of a business, establishment, corporation, non-profit corporation, organization, or other entity.

III. SHELTERING IN PLACE

IT IS FURTHER

ORDERED: That pursuant to Executive Order 04.30.20.01, this Section, titled "Sheltering in Place" shall be effective until Friday, June 12, 2020, at 11:59 P.M.

IT IS FURTHER

ORDERED: That all residents and visitors of the State of Georgia who meet the following criteria for higher risk of severe illness as defined by the Centers for Disease Control and Prevention are required to Shelter in Place within their homes or places of residence:

1. Those persons who are 65 years of age or older.
2. Those persons who live in a nursing home or long-term care facility, including inpatient hospice, assisted living communities, personal care homes, intermediate care homes, community living arrangements, and community integration homes.
3. Those persons who have chronic lung disease.
4. Those persons who have moderate to severe asthma.
5. Those persons who have severe heart disease.
6. Those persons who are immunocompromised. Many conditions can cause a person to be immunocompromised, including cancer treatment, smoking, bone marrow or organ transplantation, immune deficiencies, poorly controlled HIV or AIDS, and prolonged use of corticosteroids and other immune weakening medication.
7. Those persons, of any age, with class III or severe obesity.
8. Those persons diagnosed with the following underlying medical conditions: diabetes, liver disease, and persons with chronic kidney disease undergoing dialysis.

IT IS FURTHER

ORDERED: That persons required to Shelter in Place shall be permitted to engage in the following activities:

1. Conducting or participating in Essential Services;
2. Performing Necessary Travel;
3. Engaging in gainful employment or the performance of, or travel to and from the performance of, minimum necessary activities to maintain the value of a business, establishment, corporation, non-profit corporation, or organization not classified as Critical Infrastructure; or
4. Working in or for Critical Infrastructure and being actively engaged in the performance of, or travel to and from, their respective employment.

IT IS FURTHER

ORDERED:

That persons required to Shelter in Place shall not receive visitors, except as follows:

1. Visitors providing medical, behavioral health, or emergency services or medical supplies or medication, including home hospice;
2. Visitors providing support for the person to conduct activities of daily living or instrumental activities of daily living;
3. Visitors providing necessary supplies and services, such as food and supplies for household consumption and use, supplies and equipment needed to work from home, and products needed to maintain safety, sanitation, and essential maintenance of the home or residence; or
4. Visitors received during end-of-life circumstances.

To the extent practicable under the circumstances, visitors shall maintain a minimum distance of six (6) feet between themselves and all other occupants of the person's home or residence. Any visitors visiting for the sole purpose of delivering medication, supplies, or other tangible goods shall, to the extent practicable, deliver such items in a manner that does not require in-person contact or require the deliverer to enter the person's home or residence.

IT IS FURTHER

ORDERED:

That the provisions of this Order related to visitors listed in the immediately preceding paragraph shall be strictly enforced upon nursing homes or other long-term care facilities, including inpatient hospice, assisted living communities, personal care homes, intermediate care homes, community living arrangements, and community integration homes.

IT IS FURTHER

ORDERED: That an exception to any Shelter in Place requirement set forth hereunder applies in the event of an emergency. In such cases, persons are encouraged to leave their homes or residences and Shelter in Place in accordance with the rules included in this Order at a safe alternate location. Persons experiencing homelessness are urged to obtain shelter and contact governmental and other entities for assistance.

IV. RESTAURANTS & DINING SERVICES

IT IS FURTHER

ORDERED: That for the purposes of Section IV of this Order, titled "Restaurants & Dining Services," the term "Single Location" as used in the definition of "Gatherings" in Section I of this Order shall mean 300 square feet of public space. This formula shall only apply to patrons. Therefore, for restaurants, no more than ten (10) patrons should be allowed in the facility per 300 square feet of public space. In calculating the total number of public space square feet, such calculation shall include waiting and bar areas as well as patios or any outdoor dining space, if any, but shall not include hallways, restrooms, and spaces closed to patrons.

IT IS FURTHER

ORDERED: All Restaurants and Dining rooms that operate during the effective dates of this Order *shall* implement measures which mitigate the exposure and spread of COVID-19 among its patrons and workforce. Such measures *shall* include the following:

1. Screen and evaluate Workers who exhibit signs of illness, such as a fever over 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell;
2. Require Workers who exhibit signs of illness to not report to work or to seek medical attention. Per existing U.S. Food and Drug Administration Food Code requirements, Workers who are sick should remain home. If a Worker becomes ill or presents signs of illness at work, the operator should identify the Worker's condition during a pre-work screening and send the Worker home. Restaurants shall create, maintain, and follow established policies regarding when Workers who have become ill are permitted to return to work. A Worker with known or suspected COVID-19 must follow Centers for Disease Control and Prevention guidelines to self-isolate for at least ten (10) days after symptom onset and end isolation only after symptoms have improved and the Worker has been

- fever-free and/or symptom-free for three (3) consecutive days without medication before returning to work;
3. Implement teleworking for all possible Workers;
 4. Implement staggered shifts for all possible Workers;
 5. Hold all meetings and conferences virtually, whenever possible;
 6. Train all Workers on the importance and expectation of increased frequency of handwashing, the use of hand sanitizers with at least 60% alcohol, and provide clear instruction to avoid touching hands to face;
 7. Require all Workers to wear face coverings at all times. Workers may also wear face shields in addition to their face coverings. Such face coverings and face shields shall be cleaned or replaced daily;
 8. Discourage Workers from using other Workers' phones, desks, offices, or other work tools and equipment;
 9. Where possible, stagger workstations to avoid Workers standing adjacent to one another or next to each other. Where six (6) feet of separation is not possible, consider spacing options that include other mitigation efforts with increased frequency of cleaning and sanitizing surfaces;
 10. Establish a limit for the maximum number of Workers permitted in Worker break rooms to reduce contact;
 11. Prohibit handshaking and other unnecessary person-to-person contact in the workplace;
 12. Enforce Social Distancing of non-cohabitating persons while present on such entity's leased or owned property;
 13. Increase physical space between Workers and patrons;
 14. Limit contact between wait staff and patrons;
 15. Discard all food items that are out of date;
 16. Discontinue use of salad bars and buffets, unless the salad bar or buffet is being used for cafeteria style service where a Worker is responsible for serving the patron, handling the utensils, and ensuring proper distancing in lines;
 17. If providing a "grab and go" service, stock coolers to no more than minimum levels;
 18. Ensure the Food Safety Manager certification of the person in charge is up-to-date and provide food handler training to refresh Workers;
 19. Thoroughly detail, clean, and sanitize the entire facility prior to resuming dine-in services and continue to do so regularly, focusing such cleaning and sanitation on high contact areas that would be touched by Workers and/or patrons;
 20. Between diners, clean and sanitize table condiments, digital ordering devices, check presenters, self-service areas, tabletops, and commonly touched areas, and discarding single-use items;

21. Use rolled silverware and eliminate table presets;
22. Remove items from self-service drink, condiment, utensil, and tableware stations and have Workers provide such items to patrons directly wherever practicable;
23. The use of disposable paper menus is strongly encouraged, which should be discarded after each patron use. Otherwise, businesses subject to this Section shall clean and sanitize reusable menus between each use by a patron. Non-touch menus are also acceptable for use.
24. Clean and sanitize restrooms regularly, check restrooms based on the frequency of use, and ensure adequate supply of soap and paper towels at all times;
25. Implement procedures to increase cleaning and sanitizing frequency of surfaces in the back-of-house. Avoid all food contact surfaces when using disinfectants;
26. Verify that ware-washing machines are operating at the required wash and rinse temperatures and with the appropriate detergents and sanitizers;
27. Update floor plans for common dining areas, redesigning seating arrangements to ensure at least six (6) feet of separation from seating to seating. Utilize physical barriers on booth seating when available to ensure Social Distancing;
28. Limit party size at tables to no more than ten (10);
29. Where practical, consider a reservations-only business model or call-ahead seating;
30. Remind third-party delivery drivers and any suppliers of your internal distancing requirements;
31. Post signage on entrances that no one with a fever or symptoms of COVID-19 is permitted in the facility;
32. Where practicable, physical barriers such as partitions or Plexiglas at registers should be used;
33. Use technological solutions where possible to reduce person-to-person interaction: mobile ordering, mobile access to menus to plan in advance, text on arrival for seating, and contactless payment options;
34. Provide hand sanitizer for use by patrons, including contactless hand sanitizing stations when available;
35. Do not allow patrons to congregate in waiting areas or bar areas. Design a process to ensure patron separation while waiting to be seated that can include floor markings, outdoor distancing, or waiting in cars;
36. If possible, use an exit from the facility separate from the entrance;
37. Mark ingress/egress to and from restrooms to establish paths that mitigate proximity for patrons and staff;
38. Where practicable, take-out and curbside pick-up services should be prioritized over dine-in services; and

39. All restaurant or dining room playgrounds shall be closed.

IT IS FURTHER

ORDERED: That none of the provisions of Section IV of this Order, titled "Restaurants & Dining Services," shall apply to the operation of dine-in services in hospitals, health care facilities, nursing homes, or other long-term care facilities, however such facilities should implement measures to prevent the spread of COVID-19 if possible.

IT IS FURTHER

ORDERED: That the routine inspection timelines under Georgia Administrative Rule 511-6-1-.10(2) may be extended by the Georgia Department of Public Health by one hundred twenty (120) days for any permit holder of a food service establishment maintaining an "A" food safety grade for any such food service establishment which was scheduled to have a routine inspection at any time between March 14, 2020 and September 10, 2020.

IT IS FURTHER

ORDERED: To the extent that the provisions of Section IV of this Order, titled "Restaurants & Dining Services," conflict with the provisions of Section V of this Order, titled "Industry & Commerce," the provisions of Section IV shall control.

V. INDUSTRY, COMMERCE, ORGANIZATIONS, & NON-PROFITS

IT IS FURTHER

ORDERED: That the Georgia Department of Economic Development is authorized to issue guidance to any business, corporation, organization, or industry trade group regarding its status as Critical Infrastructure. This guidance shall not require a finding of fact but shall be in writing and shall be considered a final agency action for the purpose of proceedings under Code Section 50-13-19.

IT IS FURTHER

ORDERED: Critical Infrastructure that continue in-person operation during the effective dates of this Order *shall* implement measures which mitigate the exposure and spread of COVID-19. Such measures *may* include, but shall not be limited to the following, which shall be implemented to the maximum extent practicable:

1. Screening and evaluating Workers who exhibit signs of illness, such as a fever over 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell;
2. Requiring Workers who exhibit signs of illness to not report to work or to seek medical attention;
3. Enhancing sanitation of the workplace as appropriate;
4. Disinfecting common surfaces regularly;
5. Requiring handwashing or sanitation by Workers at appropriate places within the business location;
6. Prohibiting Gatherings of Workers during working hours;
7. Permitting Workers to take breaks and lunch outside, in their office or personal workspace, or in such other areas where proper Social Distancing is attainable;
8. Implementing teleworking for all possible Workers;
9. Implementing staggered shifts for all possible Workers;
10. Holding all meetings and conferences virtually, whenever possible;
11. Delivering intangible services remotely, whenever possible;
12. Discouraging Workers from using other Workers' phones, desks, offices, or other work tools and equipment;
13. Prohibiting handshaking and other unnecessary person-to-person contact in the workplace;
14. If in use, open sales registers must be at least six (6) feet apart;
15. Point of sale equipment should be frequently cleaned and sanitized;
16. Placing notices that encourage hand hygiene at the entrance to the workplace and in other workplace areas where they are likely to be seen; and
17. Frequently disinfecting Personal Identification Number ("PIN") pads, PIN entry devices, electronic signature capture, and any other credit card receipt signature capture devices if in use.

IT IS FURTHER

ORDERED:

That all businesses, establishments, corporations, non-profit corporations, or organizations that are *not* Critical Infrastructure that continue in-person operations during the effective dates of this Order *shall* implement measures which mitigate the exposure and spread of COVID-19 among its workforce. Such measures *shall* include the following:

1. Screening and evaluating Workers who exhibit signs of illness, such as a fever over 100.4 degrees Fahrenheit, cough, , shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell;

2. Posting a sign on the front of the facility stating that individuals who have a fever or other symptoms of COVID-19 shall not enter the store;
3. Requiring Workers who exhibit signs of illness to not report to work or to seek medical attention;
4. Enhancing sanitation as appropriate;
5. Disinfecting common surfaces regularly;
6. Requiring hand washing or sanitation at appropriate places within the location;
7. Prohibiting Gatherings during hours of operation;
8. Permitting Workers to take breaks and meals outside, in their office or personal workspace, or in such other areas where proper Social Distancing is attainable;
9. Implementing teleworking as practicable;
10. Implementing staggered shifts as practicable;
11. Holding all meetings and conferences virtually as practicable;
12. Delivering intangible services remotely as practicable;
13. Discouraging use of other Worker's phones, desks, offices, or other tools and equipment;
14. Prohibiting handshaking and unnecessary person-to-person contact;
15. Placing notices that encourage hand hygiene at the entrance to the facility and in other areas where they are likely to be seen;
16. Enforcing Social Distancing of non-cohabitating persons while present on such entity's leased or owned property;
17. For retailers and service providers, providing for alternative points of sale outside of buildings, including curbside pick-up or delivery of products and/or services if an alternative point of sale is permitted under Georgia law;
18. For retailers and service providers, open sales registers must be at least six (6) feet apart;
19. Point of sale equipment should be frequently cleaned and sanitized;
20. Increasing physical space between Workers and patrons;
21. Frequently disinfecting Personal Identification Number ("PIN") pads, PIN entry devices, electronic signature capture, and any other credit card receipt signature capture devices if in use; and
22. If the entity engages volunteers or has members of the public participate in activities, prohibiting volunteering or participation in activities for persons diagnosed with COVID-19, having exhibited symptoms of COVID-19, or having had contact with a person that has or is suspected to have COVID-19 within the past fourteen (14) days.

IT IS FURTHER

ORDERED: That Critical Infrastructure and all other businesses, establishments, corporations, non-profit corporations, or organizations that continue in-person operation during the effective dates of this Order **should** implement the following measures if practicable:

1. Providing Personal Protective Equipment as available and appropriate to the function and location of the Worker within the business location;
2. Providing disinfectant and sanitation products for Workers to clean their workspace, equipment, and tools; and
3. Increasing physical space between Workers' worksites to at least six (6) feet.

IT IS FURTHER

ORDERED: That all live performance venues, operators of amusement rides as defined by Code Section 25-15-51, and businesses which possess a license to operate as or otherwise meet the definition of "bar" as defined by Code Section 3-1-2(2.1) **shall not** engage in in-person operations and shall remain closed to the public while this Order is in effect.

IT IS FURTHER

ORDERED: That all retail businesses, including Food Establishments (such as retail and wholesale grocery stores), as defined by Ga. Comp. R. & Regs. R. 40-7-1-.02 but not to include food processing plants or wholesale sandwich and salad manufacturers, **shall** implement additional measures to prevent the spread of COVID-19, as practicable. Such measures **shall** include:

1. Limiting the number of patrons inside the store to 50% of fire capacity occupancy of the entire store or eight (8) patrons per 1,000 square feet;
2. Encouraging patrons to use hand sanitizer upon entering;
3. Encouraging non-cash payments when possible;
4. Sanitizing entrance and exit doors at least three times per day;
5. Encouraging Workers to report any safety and health concerns to the employer; and
6. Installing protective screens or other mitigation measures where Worker-patron interactions are likely.

IT IS FURTHER

ORDERED: That in addition to the applicable requirements above, Food Establishments (such as retail and wholesale grocery stores), as defined by Ga. Comp. R. & Regs. R. 40-7-1-.02 but not to include food

processing plants or wholesale sandwich and salad manufacturers, *shall* implement additional measures to those listed above as practicable. Such measures *may* include, but shall not be limited to the following, which shall be implemented to the maximum extent practicable:

1. Scheduling specific hours of operation for vulnerable populations to shop;
2. Reducing store hours to allow for increased cleaning and sanitation while the store is closed;
3. Enacting policies and procedures to encourage Social Distancing for patrons and Workers. Measures may include:
 - a. Protective Plexiglass screens at service counters and at cash registers;
 - b. Decals on the floor or aisles with messaging on Social Distancing;
 - c. Signs throughout the store giving visuals on Social Distancing;
 - d. Limited occupancy if store becomes too crowded; and
 - e. Use of one-way aisles;
4. Providing Personal Protective Equipment as available and appropriate to the function and location of the Worker within the business location;
5. Encouraging patrons to wear face coverings;
6. Utilizing in-store messaging to educate and remind patrons and Workers on recommended hygiene and Social Distancing;
7. Discontinuing sampling or cooking stations;
8. Closing self-serve salad bars and buffets;
9. Adding additional staff to specifically oversee increased sanitation of grocery carts, and other high-touch areas such as door handles, point of sales equipment, conveyor belts, and other surfaces;
10. Checking restrooms regularly, cleaning and sanitizing based on frequency of use, and ensuring adequate supply of soap and paper towels at all times;
11. Allowing time for frequent hand washing for Workers, including cashiers, that interact directly with patrons;
12. Increasing or add hand sanitizing stations around stores for patrons and Workers; and
13. Procuring options with third-party cleaning companies to assist with the increased cleaning demands as needed.

IT IS FURTHER

ORDERED:

That in addition to the applicable requirements above, gyms and fitness centers *shall* implement additional measures to prevent the spread of COVID-19, as practicable. Such measures *shall* include:

1. Placing signage at any entrance to instruct patrons that they cannot enter if they have been diagnosed with COVID-19, had symptoms of COVID-19, or had contact with a person that has or is suspected to have COVID-19;
2. Placing signage at any entrance and throughout the facility to instruct patrons of the enhanced sanitation procedures, Social Distancing requirements, and other instructions and limitations, as applicable, set forth below;
3. If Workers are present at the gym or fitness center, screening patrons at the entrance and prohibiting entrance for patrons exhibiting a temperature greater than 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell ;
4. Limiting occupancy to enforce Social Distancing requirements and to prohibit Gatherings;
5. Utilizing contactless forms of patron check-in;
6. Providing hand sanitizer stations as available for patrons;
7. Providing antibacterial sanitation wipes as available at or near each piece of equipment and requiring users to wipe down the equipment before and after use;
8. Requiring Workers, if any, to patrol patron areas to enforce the equipment wipe-down policy and conduct additional cleanings during times when equipment is not being used;
9. Limiting use of cardio machines to every other machine or distancing machines to maintain acceptable Social Distancing between users;
10. Enforcing Social Distancing and prohibiting congregating between non-cohabitating patrons, especially in pools, group fitness classes, and in areas where group sports regularly occur;
11. Encouraging patrons to conduct their workout and exit the facility without unnecessary delay;
12. Complying with the regulations for "Childcare Facilities" included in Section VII of this Order titled "Children" if childcare services are provided.
13. Closing the following facilities and equipment within a gym or fitness center: hot tubs, saunas, and steam rooms;
14. Requiring patrons to spray showers with a provided cleaning spray after use;
15. In addition to the regular cleaning schedule, cleaning and sanitizing high touch surfaces, bathrooms, and locker rooms regularly throughout hours of operation;
16. Prohibiting patrons from sharing equipment without cleaning and sanitizing between uses;
17. Practicing Social Distancing between trainers and patrons as practicable;

18. Requiring no less than ten (10) feet of distance between patrons participating in group fitness classes; and
19. Requiring rooms and equipment used for group fitness classes to be disinfected between classes.

IT IS FURTHER

ORDERED:

That in addition to the applicable requirements above, body art studios permitted pursuant to Code Section 31-40-2, businesses registered pursuant to Code Sections 43-10-11 and 43-10-18, estheticians as defined by Code Section 43-10-1(8), hair designers as defined by Code Section 43-10-1(9), persons licensed to practice massage therapy pursuant to Code Section 43-24A-8, and tanning facilities as defined by Code Section 31-38-1(6) *shall* implement additional measures to prevent the spread of COVID-19, as practicable. Such measures *shall* include:

1. Providing services by appointment only. Walk-in patrons should not be allowed;
2. Patrons should be required to sanitize their hands upon entering the facility and before any treatment;
3. Providing hand sanitizer or sanitization wipes to patrons upon arrival;
4. Posting signs at the entrance and at eye-level at each workstation stating that any patron who has symptoms of COVID-19 must reschedule their appointment;
5. Allowing only one patron per service provider in the business at any one time;
6. Allowing one parent to be within a facility if their minor child is receiving a haircut;
7. Requiring patrons to wait in their vehicle or outside the establishment until the service provider is ready, or patrons may wait in a waiting area inside the facility provided that all seating within the waiting area is spaced so that no waiting patron is seated within six (6) feet of any other person and all waiting patrons are required to wear face coverings;
8. Staggering use of every-other workstation or spacing workstations more than ten (10) feet apart, whichever option is practicable given the facility's configuration;
9. Staggering work schedules so that no more than 50% of the normal number of Workers providing services will be in the business at a time;
10. Requiring all Workers to wear Personal Protective Equipment as available and appropriate to the function and location of the Worker within the business location;
11. Sanitizing all equipment, chairs, and tables used by Workers and patrons between each client visit;

12. Utilizing disposable materials and supplies as much as practicable according to state rules and regulations; and
13. Training all Workers on additional measures both verbally and in writing.

IT IS FURTHER

ORDERED:

That in addition to the applicable requirements above, indoor movie theaters and cinemas choosing to operate during the effective dates of this Order *shall* implement additional measures to prevent the spread of COVID-19. Such measures *shall* include:

1. Each party of patrons must be seated at least six (6) feet apart. No party seated together may number more than ten (10) individuals;
2. At least one usher must be used in each theater room before and at some point during each showing to ensure that proper Social Distancing protocol is enforced;
3. Seats, armrests, handrails, doors, doorknobs, and door handles in each theater must be thoroughly sanitized before and after each showing;
4. Tape must be applied to floors at ticket counters and concession stands to enforce proper Social Distancing protocol for patrons who are waiting in line;
5. Restrooms must be cleaned and disinfected regularly, and touchpoints must be cleaned and sanitized no less than once per hour;
6. Food service areas must adhere to the same guidelines set forth in Section IV, titled "Restaurants & Dining Services", above;
7. Party rooms located at theaters may not host parties or Gatherings; and
8. Playgrounds, if any, must be closed.

IT IS FURTHER

ORDERED:

That in addition to the applicable requirements above, bowling alleys choosing to operate during the effective dates of this Order *shall* implement additional measures to prevent the spread of COVID-19. Such measures *shall* include:

1. Placing signage at entrance and throughout the facility to instruct patrons of Social Distancing requirements and other instructions and limitations, as applicable;
2. Providing hand sanitizer stations for patrons throughout the facility;

3. Food service areas must adhere to the same guidelines set forth in Section IV, titled "Restaurants & Dining Services", above;
4. Tape must be applied to floors at ticket counters and rental stations to enforce proper Social Distancing protocol for patrons who are waiting in line;
5. Removing items from all self-service bowling ball, bowling shoe, and other bowling accessory stations and having Workers provide such items to patrons directly;
6. Limiting the number of patrons per lane to groups of ten (10) or less;
7. Staggering use of lanes so that only every other lane or every third lane is in use to maintain proper Social Distancing between groups of patrons. Each party of patrons must be seated at least six (6) feet apart;
8. Score keeping machines, ball returns, tables, seats, and other fixtures at each bowling lane must be thoroughly sanitized before and after each use;
9. Bowling balls and bowling shoes must be thoroughly sanitized before and after each use;
10. Party rooms located at bowling alleys may not host parties or Gatherings; and
11. Closing playgrounds, if any.

IT IS FURTHER

ORDERED:

That in instances where persons are working outdoors without regular contact with other persons, such as delivery services, contractors, landscape businesses, and agricultural industry services, such persons *shall* only be required to practice Social Distancing and implement sanitation processes in accordance with the guidelines published by the Centers for Disease Control and Prevention.

VI. HEALTHCARE

IT IS FURTHER

ORDERED:

That any person, service, or entity delivering healthcare during the effective dates of this Order shall adhere to the guidelines listed in Section V for Critical Infrastructure in addition to the guidelines listed in this Section.

IT IS FURTHER

ORDERED:

That in addition to compliance with the guidelines for Critical Infrastructure, dental practices and clinics that continue in-person operation during the effective dates of this Order *shall* adhere to the American Dental Association's Interim Guidance for Minimizing Risk of COVID-19 Transmission and Interim Mask and Face Shield Guidelines. Any previous Executive Order or rule which would prevent dental practices and clinics from providing the full scope of their services subject to the above requirements is hereby suspended.

IT IS FURTHER

ORDERED:

That in addition to compliance with the guidelines for Critical Infrastructure, licensed optometrists and their staff that continue in-person operation during the effective dates of this Order *shall* adhere to the American Optometric Association's Practice Reactivation Preparedness Guide and the Georgia Optometric Association's COVID-19 guidelines for practices issued March 17, 2020 and updated April 20, 2020. Any previous executive order or departmental rule which would prevent optometrists from providing the full scope of their services subject to the above requirements is hereby suspended.

IT IS FURTHER

ORDERED:

That in addition to compliance with the guidelines for Critical Infrastructure, licensed opticians and their staff that continue in-person operation during the effective dates of this Order *shall* adhere to the Centers for Disease Control and Prevention's Recommendations for Office Disinfection and Recommendations for Employers. Any previous executive order or departmental rule which would prevent opticians from providing the full scope of their services subject to the above requirements is hereby suspended.

IT IS FURTHER

ORDERED:

That in addition to compliance with the guidelines for Critical Infrastructure, Ambulatory Surgical Centers that continue in-person operation during the effective dates of this Order *shall* implement additional measures to prevent the spread of COVID-19 as practicable. Such measures *may* include, but shall not be limited to the following, which shall be implemented to the maximum extent practicable:

1. Screening patients before visits and monitoring their health prior to starting surgery as part of the pre-operative procedure;

2. Requiring Workers to self-monitor and screen for viral symptoms daily;
3. Continuing to use Personal Protective Equipment in accordance with the latest Centers for Disease Control and Prevention recommendations for all procedures;
4. Following waiting room spacing guidelines, Social Distancing, face masking, and other recommended procedures for patients and visitors prior to entering the facility;
5. Ensuring heightened disinfection to prevent and mitigate risk of spread;
6. Ensuring patients have been medically cleared by their primary care physician where applicable;
7. Balancing the needs of patient care with the risk of providing that care by prioritizing procedures for patients who have lower co-morbidities and surgical risks and procedures accompanied by lower risk with regard to airborne transmission and those with minimal risk of unintended hospital admissions;
8. Performing regular rapid COVID-19 testing on providers and Workers where feasible; and
9. Performing COVID-19 testing on patients suspected to be experiencing COVID-19 and factoring the results of such testing into clinical decisions as to whether or not to proceed with procedures.

IT IS FURTHER

ORDERED: Any previous executive order or departmental rule which would prevent ambulatory surgical centers from providing the full scope of their services subject to the above requirements is hereby suspended.

IT IS FURTHER

ORDERED: That during the Public Health State of Emergency, in addition to those Workers designated as auxiliary emergency management workers by Executive Orders 04.14.20.01 and 4.20.20.01, the Workers of healthcare facilities as defined by 31-6-2(17) and 31-44-1(6), where services are provided or performed during the Public Health State of Emergency, specifically including those Workers defined by Code Section 31-44-1(4), shall be considered auxiliary emergency management workers pursuant to Code Section 38-3-35.

IT IS FURTHER

ORDERED: That during the Public Health State of Emergency, in addition to those persons designated as auxiliary emergency management

workers by Executive Orders 04.14.20.01 and 04.20.20.01 and by the immediately preceding paragraph, persons who are licensed, certified or otherwise authorized under Code Section 31-44-1(4) and those under Title 43, Chapter 26 and Chapter 34 to provide healthcare services in the ordinary course of business or practice of a profession or in an approved education or training program, whose practices are affected by the Public Health Emergency caused by the spread of the novel coronavirus, COVID-19, shall be considered auxiliary emergency management workers pursuant to Code Section 38-3-35. However, in no case shall Workers providing or performing services in or in conjunction with healthcare facilities as defined by Code Section 31-7-1(4)(B) be considered auxiliary emergency management workers pursuant to Code Section 38-3-35.

IT IS FURTHER

ORDERED: That during the Public Health State of Emergency, services provided or performed by healthcare facilities as defined by Code Section 31-6-2(17) or 31-44-1(6) shall be considered emergency management activities pursuant to Code Section 38-3-35. In no case shall services provided or performed by healthcare facilities as defined by Code Section 31-7-1(4)(B) be considered emergency management activities pursuant to Code Section 38-3-35.

IT IS FURTHER

ORDERED: That to the extent possible, hospitals, health care institutions, medical facilities, nursing homes, and other long-term care facilities should offer in-room dining.

VII. EDUCATION & CHILDREN

IT IS FURTHER

ORDERED: Nothing in this Order shall prevent any school, technical school, college, or university from requiring faculty and staff to attend meetings or other necessary activities at a school or facility for the purpose of supporting distance learning, research, administration, maintenance, or preparation for the 2020-2021 school year.

IT IS FURTHER

ORDERED: That for the purposes of all Child Care Learning Centers and Family Child Learning Homes under the jurisdiction of the Georgia Department of Early Care and Learning (hereinafter, "Childcare

Facilities”), the term “Single Location” shall mean a single classroom. Further, for Childcare Facilities only, twenty (20) persons shall be permitted to Gather in a Single Location so long as Staff-Child Ratios set forth by the Georgia Department of Early Care and Learning are also maintained.

IT IS FURTHER

ORDERED: That all Childcare Facilities shall cease transporting children for any purpose other than transporting children between their place of residence and the Childcare Facility. To the greatest extent possible, all permissible transports shall be conducted in such a way that maintains Social Distancing.

IT IS FURTHER

ORDERED: That in addition to the requirements for businesses, establishments, corporations, non-profit corporations, or organizations that are not Critical Infrastructure set forth in Section V above and the standard hygiene, sanitation, and disinfection licensing rules promulgated by the Georgia Department of Early Care and Learning, all Childcare Facilities that operate during the effective dates of this Order *shall* implement additional measures to prevent the spread of COVID-19. Such measures *shall* include the following:

1. Screening and evaluating all children prior to them entering the classroom for signs of illness or exhibiting a fever over 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell;
2. Prohibiting children from entering a classroom if they exhibit any of the symptoms in paragraph 1;
3. Prohibiting unnecessary visitors;
4. Providing meals in classrooms rather than in a congregated or communal settings where possible;
5. Restricting families’ access to the front door of the facility or the door of their respective child’s classroom only;
6. Surfaces and objects that are frequently touched must be sanitized regularly, including, but not limited to, toys, games, and objects or surfaces not ordinarily cleaned daily;
7. Toys and games that cannot be cleaned and sanitized should not be used;
8. Toys that children have placed in their mouths or that are otherwise contaminated by body secretions or excretions should be set aside until they are cleaned by hand by a person wearing gloves;

9. Machine-washable cloth toys should be used by one individual at a time or should not be used at all and should be laundered before being used by another child;
10. Toys used by a group of children must be washed and sanitized before they may be used by children in a different group or classroom;
11. Items that need to be cleaned should be set aside in a dish pan with soapy water or in a separate container marked for soiled toys;
12. Only bedding (sheets, pillows, blankets, and sleeping bags) that can be washed may be used. Each child's bedding must be kept separate and, to the extent practicable, should be stored in individually labeled bins, cubbies, or bags. Cots and mats should be labeled for each child and any bedding that touches a child's skin should be cleaned weekly or before use by any other child; and
13. Workers should sign children in and out of the facility for families if a computer or keypad system inside the facility is used. If a tablet located outside the facility is used by families during drop-off and pick-up, the tablet must be disinfected after each use. If a paper sign-in system is used for sign-in, writing utensils should be sanitized after each use, if families are permitted to sign children in themselves.

IT IS FURTHER

ORDERED: If the Centers for Disease Control and Prevention issues guidance for the operation of Summer Camps, the provisions of such guidance shall control.

IT IS FURTHER

ORDERED: That no Summer Camps are permitted to host Campers overnight until authorized by the Georgia Department of Public Health.

IT IS FURTHER

ORDERED: That in addition to the applicable requirements for non-critical infrastructure above, Summer Camps *shall* implement additional measures to prevent the spread of COVID-19. Such measures *shall* include, but are not limited to, the following:

1. Placing signage at any entrance to instruct Campers that they cannot enter if they have been diagnosed with COVID-19, have exhibited symptoms of COVID-19, or had contact with a person that has or is suspected to have COVID-19 within the past fourteen (14) days;

2. Placing signage at any entrance and throughout the facility to instruct Campers of the enhanced sanitation procedures, Social Distancing requirements, and other instructions and limitations, as applicable, set forth below;
3. Screening Campers at drop-off and preventing any Camper from entering that exhibits a temperature greater than 100.4 degrees Fahrenheit, cough, shortness of breath, difficulty breathing, other respiratory symptoms, or at least two of the following symptoms: chills, repeated shaking with chills, muscle pain, headache, sore throat, or new loss of taste or smell;
4. Requiring that any persons exhibiting a temperature greater than 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell at any time while at the Summer Camp shall be separated from the group immediately and must leave the camp facility as soon as practicable;
5. Requiring any Worker or Camper that has stayed home sick, been prevented from entering camp due to signs of illness, or been sent home during camp due to signs of illness shall not be permitted to attend camp again until they have either had a negative COVID-19 test or have been fever and fever medication free for seventy-two (72) hours, other symptoms have improved, and at least ten (10) days have passed since symptoms first appeared;
6. Requiring parents dropping-off and picking-up Campers to remain in their vehicles;
7. Utilizing contactless forms of Camper check-in and check-out;
8. Implementing staggered drop-off and pick-up times, with specific times for each group of Campers, if practicable;
9. Providing hand sanitizer to Campers as soon as practicable upon drop-off;
10. Prohibiting unnecessary visitors to camp activities and facilities;
11. Discontinuing camp tours;
12. Providing training to Workers on how to identify symptoms of illness in Campers, the proper processes for removing a potentially ill Camper, and the infection mitigation procedures to perform in such an event;
13. Providing an isolation area for sick Workers or Campers;
14. To the extent necessary, limiting groups to twenty (20) persons or less, including Workers and Campers, in a space where all persons gathered cannot maintain at least six (6) feet of distance between themselves and any other person;
15. To the extent possible, keeping the same Workers and Campers in the same group for the duration of the camp;

16. Enforcing Social Distancing between groups, prohibiting Gatherings, and prohibiting congregating among Campers belonging to different groups;
17. Providing a separate designated space for each Camper to store personal belongings throughout the duration of the camp;
18. Prohibiting use of camp facilities and equipment that are not able to be regularly sanitized;
19. To the extent possible, allowing only one group to use camp equipment at a time;
20. Sanitizing camp equipment after each group use;
21. Requiring Workers to patrol camp areas to enforce the equipment sanitization policy and conduct additional cleanings during times when equipment is not being used;
22. If swimming facilities are available, allowing each group to swim only once per day and staggering swimming times to avoid crowding at the swimming facilities;
23. If camp facilities are also open to other patrons, prohibiting contact between Campers and the facility's other patrons and requiring sanitization before and after camp use of any such shared facilities;
24. Providing hand sanitizer stations for Campers and requiring regular use;
25. Requiring Campers to wash or sanitize their hands during each group restroom break, snack break, and meal break;
26. For day camps, if possible, requiring Campers to bring their own lunch and snacks with them to camp each day, with all such food items being in a sealed lunch bag marked with the Camper's name;
27. Requiring all dining facilities to follow the criteria for restaurant dine-in services set forth in Section IV herein to the extent practicable;
28. Requiring Workers to wear gloves when helping Campers open items from meals and snacks;
29. If camp vehicles are used for transporting Campers to and from on or off-site activities, requiring Workers to sanitize each vehicle before and after use;
30. Requiring Workers to clean and sanitize bathrooms and all frequently touched surfaces regularly throughout the opening hours in addition to the regular cleaning schedule. Shared restrooms must be sanitized no less than twice per day;
31. Providing masks or other Personal Protective Equipment to Workers as available and appropriate to the function and location of Workers within the camp facility; and
32. Providing masks or other Personal Protective Equipment to Campers as available and appropriate to the activity and location of Campers within the camp facility; and

33. Overnight Summer Camps shall implement the following additional measures:

- a. Screening Workers and Campers each morning and evening. Persons exhibiting a temperature greater than 100.4 degrees Fahrenheit, cough, shortness of breath or difficulty breathing, fever, chills, muscle pain, sore throat, or new loss of taste or smell shall be separated from the group immediately and must leave the camp facility as soon as practicable;
- b. Requiring Workers to clean and sanitize overnight bunk rooms at least once per day;
- c. Sanitizing bunks and bunk mattresses at least once per week and before and after use by a new Worker or Camper;
- d. Limiting camp occupancy to the extent necessary to maintain overnight bunk room occupancy at twenty (20) persons, including Workers and Campers, or less per room;
- e. To the extent possible, arranging beds and bunk beds in overnight bunk rooms so that beds are six (6) feet apart and in a foot-to-foot style; and
- f. Requiring a Registered Nurse or Licensed Practical Nurse to be on site during all times that Campers are present at the camp facility to the extent practicable.

IT IS FURTHER

ORDERED:

That Code Section 15-11-2(10) relating to the definition of "child" is suspended for the limited purpose of ensuring that persons in the care of the Georgia Division of Family & Children Services who age out of the definition of "child" during the Public Health State of Emergency shall be eligible to remain in their placement and continue to receive services for a duration of ninety (90) days following the termination of the Public Health State of Emergency or any extension thereof. This suspension shall apply to Code Section 15-11-2(10), effective until July 1, 2020, and upon expiration to Code Section 15-11-2(10), effective July 1, 2020. That any Georgia Division of Family & Children Services policies shall also align with this provision.

IT IS FURTHER

ORDERED:

That no provision of this Order shall limit, infringe, suspend, or supplant any custodial arrangements created pursuant to the laws or constitution of this State or the laws or constitution of the United States, nor shall any person use any provision this Order as a defense to an action in violation of a custodial arrangement by any court

created pursuant to the laws or constitution of this State or the laws or constitution of the United States.

VIII. GOVERNMENTS

IT IS FURTHER

ORDERED: That the Human Resources Administration of the Department of Administrative Services shall promulgate guidance for the reopening of state offices and the return of teleworking state employees to in-office environments.

IT IS FURTHER

ORDERED: That the requirements of Code Section 36-70-27 and 50-8-8 are hereby suspended to the extent that they would prevent local governments from being eligible to receive state funding for expenditures made during the current Public Health State of Emergency related to the prevention, treatment, or mitigation of COVID-19.

IT IS FURTHER

ORDERED: That the audit reporting deadline imposed upon local governments by Code Section 36-81-7(d) is hereby extended by ninety (90) days for any local government that by virtue of their fiscal year end date will have an audit due at any time during the Public Health State of Emergency or within ninety (90) days after the Public Health State of Emergency is terminated or ceases to be renewed by the Governor.

IT IS FURTHER

ORDERED: That the deadline for submission of the local government finances reports and local government indebtedness reports required of local governments under Code Section 36-81-8 shall hereby be extended by ninety (90) days for any local government that by virtue of their fiscal year end date will have such reports due during the Public Health State of Emergency or within ninety (90) days after the Public Health State of Emergency is terminated or ceases to be renewed by the Governor.

IT IS FURTHER

ORDERED: That the grant certification form reporting deadlines imposed upon local governments by Code Section 36-81-8.1 are hereby extended by ninety (90) days for any local government that by virtue of their fiscal

year end date will have a grant certification form due at any time during the Public Health State of Emergency or within ninety (90) days after the Public Health State of Emergency is terminated or ceases to be renewed by the Governor.

IT IS FURTHER

ORDERED:

That county and municipal governments are authorized and empowered to make, amend, and rescind such orders, rules, and regulations as may be necessary for emergency management purposes and to supplement the carrying out of this Order, but such orders, rules, and regulations shall not be inconsistent with this Order or any other orders, rules, or regulations promulgated by the Governor or by any state agency exercising a power derived from the Public Health State of Emergency declaration. For the purpose of this provision, orders, rules, and regulations that are promulgated by county and municipal governments that are more or less restrictive than the terms of this Order shall be considered inconsistent with this Order.

IT IS FURTHER

ORDERED:

That the operation of Critical Infrastructure shall not be impeded by county, municipal, or local ordinance.

IX. ENFORCEMENT

IT IS FURTHER

ORDERED:

That the state agencies with primary regulatory authority over the entities listed in this Order and the Commissioner of the Department of Public Safety shall provide resources as requested to assist in the enforcement of this Order.

IT IS FURTHER

ORDERED:

That pursuant to Code Section 38-3-7, any person who violates this Order shall be guilty of a misdemeanor. Officials enforcing this Order should take reasonable steps to provide notice prior to issuing a citation or making an arrest. No provision of this Order shall limit the ability of law enforcement officers to enforce the laws of this State. Particularly, the provisions of Code Section 38-3-4 remain in effect, and all law enforcement is authorized to enforce the Orders issued pursuant to Title 38, Chapter 3.

IT IS FURTHER

ORDERED: That any law enforcement officer, after providing reasonable notice and issuing at least two citations for violations of Code Section 38-3-7, is authorized to mandate the closure of any business, establishment, corporation, non-profit corporation, or organization not in compliance with this Order for a period not to extend beyond the term of this Order.

IT IS FURTHER

ORDERED: That pursuant to Executive Order 04.02.20.01 and Code Section 38-3-51, enforcement of any county or municipal ordinance or order that is more or less restrictive than this Order is hereby suspended.

X. MISCELLANEOUS

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall conflict with the provisions of any previous Executive Order or Agency Administrative Order, the provisions of this Order shall control. Further, in the event of any conflict, the provisions of any Quarantine or Isolation Order issued to a specific person by the Department of Public Health shall control.

IT IS FURTHER

ORDERED: That nothing in this Order shall be construed to suspend or limit the sale, dispensing, or transportation of firearms or ammunition, or any component thereof.

IT IS FURTHER

ORDERED: That if one or more of the provisions contained in this Order shall be held to be invalid, in violation of the Georgia Constitution, in violation of Georgia law, or unenforceable in any respect, such invalidity, violation, or unenforceability shall not affect any other provisions of this Order, but, in such case, this Order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained within the Order.

IT IS FURTHER

ORDERED: That no provision of this Order shall limit, infringe, suspend, or supplant any judicial order, judgment, or decree issued pursuant to the laws or constitution of this State or the laws or constitution of the

United States, nor shall any person use any provision this Order as a defense to an action in violation of a judicial order, judgment, or decree by any court created pursuant to the laws or constitution of this State or the laws or constitution of the United States.

IT IS FURTHER

ORDERED: This Order does not attempt, nor shall it be construed, to imply that the Governor, in any instance, has the unilateral authority to overturn any judicial order, judgment, or decree.

IT IS FURTHER

ORDERED: The Office of the Governor may continue to issue guidance on the scope of this Order as needed through communication media, including social media, without need for further Executive Orders.

XI. EFFECTIVE DATE & SIGNATURE

IT IS FURTHER

ORDERED: That this Order shall be effective upon signature.

This 12th day of May 2020, at 3:02 A.M./P.M.

B. Ph
GOVERNOR

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
FARM COVERAGE PART**

- A.** The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense, rental value or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph B., such exclusion supersedes any exclusion relating to "pollutants".
- D.** The terms of the exclusion in Paragraph B., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

