

POLICY NUMBER: MAF733355-07

COMMON POLICY DECLARATIONS

AXIS INSURANCE COMPANY (A STOCK COMPANY) 303 WEST MADISON, #500 CHICAGO, IL 60606	AMERICAN E & S BROKERS 1255 ROBERTS BOULEVARD, SUITE 124 P.O. BOX 1324 (ZIP FOR PO BOX IS 30156) KENNESAW, GA 30144
NAMED INSURED: <u>State of West Virginia</u>	
MAILING ADDRESS: <u>c/o Board of Risk & Ins Mgmt.</u> <u>90 Maccorkle Avenue S. W.</u> <u>S. Charleston, WV 25303</u>	
POLICY PERIOD: FROM <u>July 01, 2007</u> TO <u>July 01, 2008</u> AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.	

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

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
	PREMIUM
BOILER AND MACHINERY COVERAGE PART	\$ _____
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART	\$ _____
COMMERCIAL AUTOMOBILE COVERAGE PART	\$ _____
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$ _____
COMMERCIAL INLAND MARINE COVERAGE PART	\$ _____
EXCESS PROPERTY COVERAGE PART	\$ 30,675
CRIME AND FIDELITY COVERAGE PART	\$ _____
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART	\$ _____
FARM COVERAGE PART	\$ _____
LIQUOR LIABILITY COVERAGE PART	\$ _____
POLLUTION LIABILITY COVERAGE PART	\$ _____
PROFESSIONAL LIABILITY COVERAGE PART	\$ _____
INSURED PURCHASED TRIA TERRORISM COVERAGE <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	\$ 1,000
TOTAL:	\$ 31,675

Premium shown is payable: \$ 31,675 at inception.

FORMS APPLICABLE TO ALL COVERAGE PARTS :

Notice To Policyholder - ES 115 0106

Commercial Property Excess Policy - ES Excess 0607

Earthquake Endorsement - Endorsement A - ES 700 1106

Flood Earthquake - Endorsement B - ES 702 1007

West Virginia Notice to Consumers (Civil Justice Reforms) - IL N 122 07 05

Limited Exclusion of Acts of Terrorism (Other than Certified Acts of Terrorism); Cap on Losses from Certified Acts of Terrorism; Coverage for Certain Fire Losses - IL 09 69 11 02

Exclusion of Acts of Biological or Chemical Terrorism; Cap on Losses from Certified Acts of Terrorism; Coverage for Certain Fire Losses - IL 09 70 11 02

State Fraud Statements - LI-FS 001 0706

AXIS Insurance Company - ES 190 0707

Claim Notice - ES 036 0106

Countersigned:	By:
	<i>Fred Marshall Turner II</i>
(Date)	(Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.



NOTICE TO POLICYHOLDER

This policy is composed of various forms explaining the insurance coverage provided. It may also include one or more endorsements. Endorsements are documents that change the policy. Endorsements may provide additional coverage to the policy. Endorsements can also restrict or remove coverage provided in the policy. **THE POLICY SHOULD BE READ CAREFULLY TO DETERMINE WHAT IS AND WHAT IS NOT COVERED.**

As the context may require, the words "you", "your", "Insured", and "the Insured" refer to the Named Insured shown on the Declarations Page. The words "we", "us", "our", "Company", "the Company", and "this Company" refer to the Company providing this insurance.

Attached to and forming part of Policy Number: MAF733355-07

SCHEDULE

1. **Total Limit of Liability: \$25,000,000 part of \$75,000,000 any one Occurrence.**
2. **Scheduled Limit of Liability Provision**
 - A. **For the purposes of determining the attachment of coverage under this Policy and the amount payable under this Policy, this Policy shall not recognize:**
 1. **Covered loss for each type of covered property at a location in an amount greater than the value on the latest Statement of Values on file with the Company for that type of covered property at that location**
 2. **Covered loss, damage, cost, claim or expense for each type of time element coverage caused by or resulting from insured direct physical loss or damage to covered property at a location in an amount greater than the value for that type of time element coverage reported on the latest Statement of Values on file with the Company for that location.**
 - B. **Claims payable under this Policy shall be adjusted as if any Underlying Insurance also contained this provision and were settled accordingly.**
 - C. **Notwithstanding anything in Sub-paragraph E. Priority of Payments and Sub-paragraph F. Earthquake and Flood Drop Down of Paragraph 6. UNDERLYING INSURANCE CLAUSE to the contrary, for the purpose of determining the attachment of coverage under this Policy and the amount payable under this Policy any amounts paid by any Underlying Insurance, over and above what would have been paid if such insurance contained this provision, shall not be recognized by this Policy as reducing, eroding or exhausting the limits of any Underlying Insurance.**

D. For the purpose of the application of this provision, location shall mean:

1. as specified in latest Statement of Values on file with the Company ; or
2. if not so specified, a building, yard, dock, wharf, pier or bulkhead bounded on all sides by public streets, clear land space or open waterways.

E. For the purpose of the application of this provision, time element shall mean indirect loss, including, but not limited to, business interruption, business income, extra expense and rents.

3. Total Limit of Liability of the Underlying Insurance:

\$200,000,000

4. Lead Insurance Policy:

A. Name of Insurer: Westchester Fire Insurance Company

B. Policy Number: D3586782A 005

C. Limit of Liability: \$175,000,000 any one Occurrence

D. Name of Insurer: RUSI Indemnity Company

E. Policy Number: NHD353346

F. Limit of Liability: \$25,000,000 and one Occurrence

5. Minimum Earned Premium Percentage

N/A

COMMERCIAL PROPERTY EXCESS POLICY

1. INSURING AGREEMENT

Subject to the limitations, terms, and conditions contained in this Policy or any endorsement attached hereto, the Company agrees to indemnify the Insured for direct physical loss or damage to covered property at covered locations, occurring during the Policy Period, and caused by covered perils, all as defined or described in the Lead Insurance Policy

Except as regards the premium, the amount and Limit of Liability other than the deductible or self-insurance provision where applicable, and the renewal agreement, if any, AND EXCEPT AS OTHERWISE PROVIDED HEREIN, this Policy is subject to the same limitations, terms, and conditions contained in the Lead Insurance Policy and, to the extent that coverage is further limited or restricted thereby, to those contained in any other Underlying Insurance.

2. SOLE AGENT

If this Policy insures more than one entity, the first named Insured in this Policy will act as the sole agent on behalf of the others for all of the Insured's obligations and duties in this Policy.

3. LOSS PAYABLE

Loss, if any, shall be payable to the Insured, whose receipt shall constitute a release in full of all liability under this Policy with respect to such loss.

4. TERM OF INSURANCE

This Policy will begin and end at 12:01 A.M. standard time on the dates shown in the Policy Period.

5. CONDITIONS OF COVERAGE

A. By acceptance of this Policy, the Insured agrees to pay the premium shown in the Policy Declarations and to comply with all the provisions of the Policy.

B. The Company may, in its sole discretion, condition its agreement to follow any changes in the Underlying Insurance on the Insured paying any additional premium required by the Company for such change.

This policy contains all of the agreements between the Insured and the Company concerning this insurance. The Insured and the Company may request changes to this Policy. This Policy can be changed only by endorsements issued by the Company and made a part of this Policy.

Notice to any agent or knowledge possessed by any agent or by any other person other than the Company will not:

1. create a waiver, or change any part of this Policy; or
2. prevent the Company from asserting any rights under the provisions of this Policy.

6. UNDERLYING INSURANCE CLAUSE

A. Application of Underlying Insurance

Liability of the Company attaches only after direct, physical loss or damage occurs to property covered under this Policy resulting directly from a peril insured under this Policy and:

1. The loss sustained by the Insured arising out of any one Occurrence exceeds the Limit of Liability of the Underlying Insurance as shown in the Schedule of this Policy plus the applicable amount of the deductible(s) or self-insurance retention(s); and
2. The Company(ies) providing Underlying Insurance has paid the full amount of their respective liability.

B. Maintenance of Underlying Insurance

It is a condition precedent to a recovery under this Policy that the Underlying Insurance and the Limit of the Underlying Insurance shall be maintained in full force and effect during the term of this Policy, except for any reduction or exhaustion of any underlying aggregate limit of liability for flood and earthquake, solely by the amount of loss(es) paid during the Policy Period. Failure to comply with this condition will not invalidate this Policy; however, the Insurer will not be liable under this Policy to any greater extent than it would have been if there had been full compliance with this condition. If any Underlying Insurance is not maintained, the Insured will be deemed to be self-insured for the limit(s) of liability of such Underlying Insurance. Notwithstanding anything to the contrary in this Policy, all coverage under this Policy will be void from its inception in the event that any Underlying Insurance is rescinded by agreement or legal process for fraud or other material misrepresentation by the Insured.

C. Relationship to Sub-limited Coverage

Underlying Insurance may impose a dollar or percentage limit on some aspects of coverage (commonly called a sub-limit) at less than the total limit over which this Policy is excess. This Company shall not drop down over any such sub-limits and shall always be excess over the maximum limits of the Underlying Insurance.

D. Uncollectibility of Other Insurance

Notwithstanding any of the terms of this Policy, which might be construed otherwise, the insurance provided by this Policy shall always be excess over the maximum monetary limit(s) of the Underlying Insurance. For purposes of determining attachment of coverage under this Policy, such Underlying Insurance shall not be considered reduced due to the uncollectibility, in whole or part, of any underlying insured amount(s), for any reason, including the financial impairment or insolvency of an Underlying Insurer(s).

The risk of uncollectibility, for any reason, is expressly retained by the Insured and is not in any way or under any circumstances insured or assumed by this Company.

E. Priority of Payments

Except as otherwise provided in this Policy or endorsements attached hereto, for the purpose of determining the attachment of coverage under this Policy and the amount payable under this Policy, any loss, damage, cost, claim or expense excluded by this Policy, but provided by the Underlying Insurance, shall be recognized by this Policy as eroding or exhausting the Limits of Insurance of the Underlying Insurance. Nothing herein; however, shall be deemed to extend coverage in this Policy to include such loss, damage, cost, claim or expense.

F. Earthquake and Flood Drop Down

1. If flood coverage is endorsed to this Policy, in the event of reduction or exhaustion of the flood aggregate limits of Underlying Insurance due solely from insured direct physical loss or damage to covered property, the flood coverage in this Policy will apply in excess of the reduced flood underlying limit, or if such limit is exhausted, will apply as underlying insurance. In no event, however, shall the Company be liable for flood coverage not specifically provided by the flood endorsement attached to this Policy. Nor shall this Policy be liable for more than the applicable amount of insurance stated in the flood endorsement to this Policy.

Should this Company's limit(s) for flood drop down over an exhausted underlying amount, the coverage provided under this Policy for direct physical loss or damage caused by flood shall always be subject to the Lead Insurance Policy deductible(s) or \$100,000 per Occurrence, whichever is greater.

2. If earthquake coverage is endorsed to this Policy, in the event of reduction or exhaustion of the earthquake aggregate limits of Underlying Insurance due solely from insured direct physical loss or damage to covered property, the earthquake coverage in this Policy will apply in excess of the reduced underlying limit, or if such limit is exhausted, will apply as underlying insurance. In no event, however, shall the Company be liable for earthquake coverage not specifically provided by the earthquake endorsement to this Policy. Nor shall this Policy be liable for more than the applicable amount of insurance stated in the Sublimits of Liability section of this Policy.

Should this Company's limit(s) for earthquake drop down over an exhausted underlying amount, the coverage provided under this Policy for direct physical loss or damage caused by earthquake shall always be subject to the

Lead Insurance Policy deductible(s) or \$100,000 per Occurrence, whichever is greater.

7. EXCLUSIONS

A. Earth Movement

This Policy does not insure against loss or damage caused by any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage:

1. all earth movement (whether occurring naturally or not) including, but not limited to, earthquake, landslide, subsidence and volcanic eruption.
2. collapse, cracking, shrinking, bulging, expansion, shifting, rising, settling, sinking, lateral or other movement, or other kinds of loss or damage to property which would not have occurred but for an event as described in 1. above.
3. tsunami

If fire or explosion is covered by this Policy, this exclusion shall not apply to loss or damage from fire or explosion resulting from 1. through 3. above.

B. Flood

This policy does not insure against loss or damage caused by any of the following, regardless of the cause of such event and regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage:

1. Flood, storm surge, surface water, mudslide or mud flow, waves, tidal water or tidal waves, overflow of streams, lakes, reservoirs, canals, drainage ditches, retention ponds or other bodies of water, or spray from any of the foregoing, all whether driven by wind or not (all whether or not naturally occurring),
2. Damage to, destruction, failure, or overflowing of levees, dams, dikes, floodgates and other similar works,
3. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings.
4. Tsunami

If fire or explosion is covered by this Policy, this exclusion shall not apply to loss or damage from fire or explosion resulting from 1. through 4. above.

C. Boiler and Machinery Exclusion

This Policy excludes loss or damage due to:

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1. Explosion in or of any of the following property: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion therefrom
 2. Rupture, bursting, cracking, burning or bulging of any of the following property: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines..
 3. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force
 4. Electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated.

D. Special Exclusions

Notwithstanding anything in Sub-paragraph E. Priority of Payments and Sub-paragraph F. Earthquake and Flood Drop Down of Paragraph 6. UNDERLYING INSURANCE CLAUSE to the contrary, any loss, damage, cost, claim or expense excluded under the following special exclusions but covered by the Underlying Insurance shall not be recognized by this Policy as reducing, eroding or exhausting the limit(s) of such Underlying Insurance.

5. Fungi Exclusion

This Policy does not cover:

- a. Fungi, wet or dry rot, or Bacteria
- b. Loss or damage caused directly or indirectly by Mold or Other Fungi, wet or dry rot, or Bacteria.
- c. The costs associated with the enforcement of any ordinance or law which requires the 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 Mold or Other Fungi, wet or dry rot, or Bacteria.
- d. Any costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any government agency, court or other authority arising from any cause whatsoever.

This Mold or Other Fungi, wet or dry rot, or Bacteria exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

2. Electronic Exclusion

This Policy does not insure against loss or damage to, or any cost, claim or expense directly or indirectly arising out of or relating to, any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, claim or expense:

- a. Data, Electronic Data, Programs, or Electronic Computer Programs,
- b. failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability, or operation of Data, Electronic Data, Programs, or Electronic Computer Programs,
- c. any instruction, including but not limited to any Computer Virus, introduced into, or caused to act upon Computer Operations,
- d. errors in configuring Computer Operations,
- e. failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability, or operation of Computer Operations.

Notwithstanding anything in the above to the contrary, and subject to the other terms and conditions of this Policy not in conflict herewith, this Policy insures against direct physical loss or damage caused by perils or causes of loss insured under this Policy to insured computer hardware and Electronic Data Processing Media.

3. Pollution Exclusion

This Policy does not cover any of the following:

- a. Loss or damage caused by, or resulting from, contributed to or made worse by actual, alleged or threatened release, discharge, escape or dispersal of Pollutants or Contaminants , however caused
- b. The expense or cost to extract or remove Pollutants or Contaminants from debris;
- c. The expense or cost to extract or remove Pollutants or Contaminants from land or water;
- d. The expense or cost to extract or remove, restore or replace contaminated or polluted land or water;
- e. The costs associated with the enforcement of any ordinance or law which requires the 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 Contaminants;

- f. Any cost to transport any property or debris to a site for storage or decontamination required because the property is infected by Pollutants or Contaminants, whether or not such removal, transport or decontamination is required by law, regulation or any authority governing such matters; or
- g. Any cost to store or otherwise dispose of any property because Pollutants or Contaminants infect the property, or
- h. Any expense for the investigation or defense of any loss, damage or any cost, loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above

4. Materials Exclusion

This Policy does not cover loss or damage caused directly or indirectly by any of the following:

- a. Removal of asbestos, dioxin, and polychlorinated biphenols from any goods, products, structures or debris;
- b. Demolition, increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating such asbestos, dioxin, and polychlorinated biphenols ;
- c. Any governmental direction or request declaring that such asbestos, dioxin, and polychlorinated biphenols present in or part of or utilized in any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified; or
- d. Any expense for the investigation or defense of any loss, damage or any cost, loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above.

5. Fines or Penalties

This Policy will not pay any costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any government agency, court or other authority arising from any cause whatsoever.

6. Nuclear Exclusion

This Policy does not cover loss or damage arising

directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by, any physical loss or damage insured against by this Policy, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused. This exclusion replaces any other nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination exclusions found elsewhere in this Policy. This exclusion applies to all coverage under this Policy notwithstanding any coverage extension or any other endorsement.

7. Chemical and Biological Exclusion

This Policy does not cover loss or damage arising directly or indirectly from the dispersal, application or release of, or exposure to, chemical or biological materials or agents that are harmful to property or human health, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by, any physical loss or damage insured against by this Policy, however such dispersal, application, release or exposure may have been caused. This exclusion applies to all coverage under Policy notwithstanding any coverage extension or any other endorsement.

8. LIMIT OF LIABILITY

A. Total Limit of Liability

The Company shall not be liable for more than the Total Limit of Liability for this Policy as shown on Item 1 of the Schedule in any one Occurrence regardless of the number of Locations or coverages involved.

This Policy or any extensions or endorsements to it may specify limits for certain aspects of coverage and the Company shall not be liable for more than the limit specified. Such limits are part of and not in addition to the Total Limit of Liability. Such limits do not increase the Total Limit of Liability or any other limit.

When a Sub-limit is shown as "in the aggregate", the Company's maximum limit of liability will not exceed such limit during the term of the Policy regardless of the number of Occurrences, locations and coverages involved.

The inclusion of more than one Insured shall not increase the liability of the Company.

9. LOSS PROVISIONS

A. Assistance and Cooperation of the Insured

The Insured will cooperate with the Company and, upon the Company's request and expense, will attend hearings and trials and will assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses, and in conducting lawsuits.

B. Notification of Loss

The Insured will provide the Company with prompt notice of any claim under any Underlying Insurance or any circumstance that could give rise to a claim under any Underlying Insurance.

C. Settlement and Defense

The Company may, at its sole discretion, elect to participate in the investigation, defense or settlement of any claim under this Policy, regardless of whether the applicable Underlying Insurance has been exhausted.

D. Proof of Loss

(1) The Insured shall complete and sign a sworn proof of loss within 90 days after the Occurrence of a loss stating the following:

- a. The time, place, and cause of the loss, the damage or expense, and the interest of the Insured and of all others in the damaged or destroyed property;
- b. The value of the property involved in the loss and the amount of loss, damage or expense; and
- c. All other insurance thereon.

(2) The proof of loss requirement for completion within 90 days after the Occurrence of a loss shall not be extended except with the prior written consent of the Company.

E. Salvage and Recoveries

Any salvage or recovery will apply as if recovered or received prior to the loss settlement and any costs or expenses incurred in salvaging or recovering shall be apportioned between the interests of all concerned based on the ratio of their respective recoveries. If there is no recovery and the expenses are incurred solely by one interest, the costs shall be borne solely by that interest.

10. ADDITIONAL POLICY PROVISIONS

A. Assignment

Assignment or transfer of this Policy will not be valid except with the prior written consent of the Company.

B. Due Diligence Clause

The Insured shall use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any loss of or damage to the property insured hereunder.

C. Substitution of Terms And Conditions

If this Policy follows a Lead Insurance Policy or is attached to another policy, the terms and conditions of this Policy and endorsements attached hereto shall

determine the coverage afforded by this Policy.

D. Reporting Clause

Notwithstanding that the Insured may be obligated to report full values for premium purposes, the Company's maximum limit of liability shall not exceed that amount stated in the Total Limit of Liability section of this Policy.

E. Statutory Requirements

- (1) Terms of this Policy, which are in conflict with the statutes of the state wherein this Policy is issued, are amended to conform to the minimum requirements of such statutes.
- (2) Any provisions required by law to be stated by policies issued by the Company shall be deemed to have been stated herein.

F. Contributing Insurance Clause

- (1) Permission is granted for other policies written upon the same plan, terms, conditions, and provisions as those contained in this Policy.
- (2) This Policy will contribute to the total of each loss otherwise payable herein to the extent of the participation of this Policy to the total limit of liability as provided by all such Contributing Insurance Policies, but only in accordance with the terms, conditions, provisions, exclusions, and limitations of this Policy.

G. Excess Insurance Clause

Permission is granted to the Insured to have excess insurance over the Total Limit of Liability set forth in this Policy without prejudice to this Policy, nor will the existence of such insurance, if any, reduce any liability under this Policy.

H. Brands, Labels, and Trademarks

In case of loss or damage by an insured peril to insured property bearing a brand, label, or trademark, and the Company elects to take all or any part of that property, the Insured may, at its own expense:

- (1) Stamp salvage on the property or its container, if the stamp will not physically damage the property; or
- (2) Remove the brand, label, or trademark, if doing so will not physically damage the property. The Insured must re-label the property or its container to comply with the law.

I. Cancellation

- (1) This insurance may be canceled by the Insured at any time by written notice or by surrender of this Policy. This insurance may also be canceled by the Company by delivering or mailing to the Insured written notice by registered, certified or other first class mail, at the Insured's last mailing address as shown on or endorsed to this insurance Policy. Notice of cancellation will state the effective date of cancellation, not less than 30 days, 10 days for non-payment of premium.
- (2) The mailing of such notice shall be sufficient proof of notice and this insurance Policy shall terminate at the date and hour specified in such notice.
- (3) If this insurance is canceled by the Insured, the Company will retain the

customary short rate proportion of the premium hereon except if this insurance is on an adjustable basis, the Company shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein, whichever is the greater.

- (4) Payment of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.
- (5) If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended to be equal to the minimum period of limitation permitted by such law.

J. Titles of Paragraphs

The titles of the various paragraphs in this Policy and of any endorsements and supplemental contracts, if any, now and hereafter attached to this Policy are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

K. Terms

Nouns and pronouns used in this Policy and any endorsements or supplemental contracts, if any, now and hereafter attached to this Policy are deemed to refer to the masculine, feminine, neuter, singular, and plural, as the context may require.

L. Misrepresentation & Fraud

This entire Policy shall be void if, whether before or after a loss, the Insured has willingly concealed or misrepresented any material fact or circumstance concerning this insurance of the subject thereof, or the interest of the Insured therein, or in case of any fraud or false swearing by the Insured relating thereto.

M. Minimum Earned Premium

In the event of:

- 1. cancellation of this Policy by the Insured or
- 2. failure of the Insured to make timely payment of premium

the product of the percentage indicated in the Minimum Earned Premium Percentage section of the Schedule times the original policy premium shall become earned; any conditions of the Policy to the contrary notwithstanding.

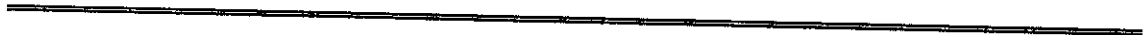
11. DEFINITIONS

- A. Company means the insurance company listed on the Common Policy Declarations.
- B. Lead Insurance Policy means the primary policy of insurance identified in Item 4 of the Commercial Property Schedule.
- C. Limit of Liability of the Underlying Insurance means the limits of liability set forth in Item 3 of the Schedule.
- D. Insured means the insured designated on the Common Policy Declarations.
- E. Occurrence means, except as may be more specifically defined by peril, all loss,

expense or damage that is attributable directly or indirectly to one cause, event, incident or repeated exposure to the same cause, event or incident, or to one series of similar causes, events, incidents or repeated exposures to the same cause, event or incident. All such loss, damage or expense will be treated as one Occurrence irrespective of the period of time, area or number of locations over which such loss, damage or expense occurs.

- F. Policy Period means the period designated on the Common Policy Declarations.
- G. Underlying Insurance consists of the Lead Insurance Policy and any other policy(ies) that affords coverage to the Insured for the covered property and is written for limits for which this Policy is excess, whether or not specifically listed in Item 3 of the Schedule. The Underlying Insurance Policy(ies) is (are) the first policy(ies) of property insurance to respond to a claim in the event of loss or damage covered under this Policy.
- H. Mold or Other Fungi means:
- (1) any type or form of mold or mildew;
 - (2) any other type or form of fungus; or
 - (3) any mycotoxin, spore, scent or byproduct that is produced or released by such mold, mildew or other fungus.
- I. Bacteria means:
- (1) any type or form of bacterium; or
 - (2) any byproduct that is produced or released by such bacterium.
- J. Pollutants or Contaminants means:
- (1) Any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
 - (2) Pollutants or Contaminants include, but are not limited to those materials that can cause or threaten damage to human health or human welfare or cause or threaten damage, deterioration, loss of value, marketability or loss of use to property including Bacteria, fungi, mold, mildew, virus or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency or any other governing authority.
- K. Computer Operations means Computer Systems or Electronic Data Communications System
- L. Computer Systems means computer hardware of any kind; Electronic Computer Programs; Electronic Data Processing Media; Electronic Data; operating system; media microchip; microprocessors (computer chips); integrated circuit or similar device; computer network and networking equipment; firmware; servers; web sites; Extranet; and all input, output, processing, storage, and off-line media libraries.
- M. Computer Virus means any corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes, but is not limited to, 'Trojan Horses', 'worms' and 'time or logic bombs'.

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- N. Data means information or knowledge
- O. Electronic Data Communications System means any communication system, including Computer Systems and the Internet, which provides the Insured with access to other Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment, or which provides any party access to the Insured's Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment.
- P. Electronic Data Processing Media means punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which Electronic Data or Electronic Computer Programs are recorded or transmitted, but not the Electronic Data or Electronic Computer Programs themselves. Money or Securities are not Electronic Data Processing Media.
- Q. Electronic Data means Data recorded or transmitted in a form usable in Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment, and which can be stored on Electronic Data Processing Media for use by Electronic Computer Programs.
- R. Extranet means an internal computer network that has been selectively opened to suppliers, customers, or other third parties via the Internet or otherwise.
- S. Internet means the worldwide publicly accessible network of computers, which is commonly referred to as "The Internet" or "World Wide Web", or any other similar publicly accessible network hereafter to be developed.
- T. Media means any item of tangible personal property on which Data or Programs can be recorded, but not the Data or Programs themselves. Money or Securities are not Media.
- U. Money means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held for sale to the public.
- V. Securities means all negotiable and nonnegotiable instruments or contracts representing either Money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include Money.



Named Insured State of West Virginia		Endorsement Number A
Policy Number MAF733355-07	Policy Period 07/01/2007 TO 07/01/2008	Effective Date of Endorsement 07/01/2007
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTHQUAKE ENDORSEMENT

1. Coverage

Subject to the terms and conditions of the Policy to which this endorsement is attached, this Policy is extended to cover direct physical loss or damage to covered property caused by earthquake as defined herein.

The term "earthquake" shall mean the natural faulting of land masses, not including subsidence, landslide, rock slide, mudflow, earth rising, earth sinking, earth shifting or settling; unless, as a direct result of such earthquake.

2. Limit

A. Liability for all losses, per Occurrence and in the aggregate, as insured against by this endorsement shall not exceed \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, but not to exceed the following sub-limit(s), which are part of and not in addition to this limit:

1. \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, for all losses caused by or resulting from physical loss or damage to property in the state of California
2. \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, for all losses caused by or resulting from physical loss or damage to property in the Pacific Northwest Earthquake Territory.
3. \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, for all losses caused by or resulting from physical loss or damage to property in the New Madrid Earthquake Territory.

This limit is part of, and not in addition to the Total Limit of Liability of this Policy as shown in the Schedule of this Policy.

If a sub-limit is shown as No Coverage, it means that no such coverage is provided regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss,

3. Additional Provisions

A. Each loss caused by earthquake shall constitute a single claim payable under this policy. If more than one earthquake shock shall occur within any period of 72-hours during the term of this policy, such earthquake shock shall be deemed to be a single Occurrence within the meaning of this policy. When filing proof of loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to covered property occurs.

- B. The Company will pay for direct physical loss or damage caused by earthquake occurring for a period of up to 72-hours after the expiration of this policy provided that the first earthquake shock or damage occurs prior to the date and time of the expiration of this policy.
- C. This endorsement does not insure loss or damage caused by any earthquake commencing before the effective date and time of this policy nor commencing after the expiration date and time of this Policy.
- D. This endorsement does not increase any amounts or limits of insurance provided by this Policy.
- E. This endorsement does not insure against loss or damage caused by or resulting from leakage from fire protection equipment regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.
- F. This endorsement does not insure against loss or damage caused by or resulting from tsunami regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

4. Definitions

- A. Pacific Northwest Earthquake Territory means the following counties within the state of Washington: Callam, Gray Harbors, Island, Jefferson, King, Katsap, Lewis, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston, Whatcom.
- B. New Madrid Earthquake Territory means the following counties within the following states:
 1. *Arkansas*: Clay, Craighead, Crittenden, Cross, Greene, Independence, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Prairie, Randolph, St. Francis, White, Woodruff;
 2. *Illinois*: Alexander, Franklin, Jackson, Johnson, Massac, Monroe, Perry, Pope, Pulaski, Randolph, Union, Washington, Williamson.
 3. *Kentucky*: Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, McCracken
 4. *Mississippi*: DeSoto, Marshall, Tate, Tunica
 5. *Missouri*: Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Madison, Mississippi, New Madrid, Pemiscot, Perry, Reynolds, Ripley, St. Francis, St. Genevieve, Scott, Stoddard, Wayne
 6. *Tennessee*: Crockett, Dyer, Fayette, Gibson, Hardeman, Haywood, Henry, Lake, Lauderdale, Obion, Shelby, Tipton, Weakley

5. SPECIFIC TERMS AND CONDITIONS

A provision applies if an "X" appears in the box along side it.

- A Leakage From Fire Protection Equipment Coverage
 . Provision E. of Paragraph 3. Additional Provisions is deleted in its entirety
- B.. Non-California Exclusion
 This endorsement does not insure loss or damage to property at locations outside of California
- C. No Erosion of Underlying Limits
 . For the purpose of determining the attachment of coverage under this Policy and the amount payable under this Policy, any loss, damage, cost, claim or expense directly or indirectly arising out of, or relating to, the following when the following are caused by or result from 1. earthquake or 2. collapse, cracking, shrinking, bulging, expansion, shifting, rising, settling, sinking, lateral or other

movement, or other kinds of loss or damage (other than fire or explosion, if covered under this Policy) to property which would not have occurred but for an event as described in 1., shall not be recognized as eroding or exhausting Limits of Insurance of the Underlying Insurance

- 1. physical loss or damage to property at locations in California
- 2. physical loss or damage to property at locations outside of California

Named Insured State of West Virginia		Endorsement Number B
Policy Number MAF733355-07	Policy Period 07/01/2007 TO 07/01/2008	Effective Date of Endorsement 07/01/2007
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD ENDORSEMENT

1. COVERAGE

Subject to the terms and conditions of the Policy to which this endorsement is attached, this Policy is extended to cover direct physical loss or damage to covered property caused by Flood as defined herein.

2. Limit

A. Liability for all losses, per Occurrence and in the aggregate, as insured against by this endorsement shall not exceed \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, but not to exceed the following sub-limit(s), which are part of and not in addition to this limit:

1. \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, for all losses caused by or resulting from physical loss or damage to locations wholly or partially in a High Hazard Flood Zone
2. \$25,000,000 part of \$70,000,000 any one Occurrence and in the aggregate excess of the Total Limit of Liability of the Underlying Insurance, as shown in the Schedule of this Policy, any one Occurrence and in the aggregate, for all losses caused by or resulting from physical loss or damage to locations wholly or partially in areas designated by the Federal Emergency Management Agency to be in Zone B or Shaded X.

This limit is part of, and not in addition to the Total Limit of Liability of this Policy as shown in the Schedule of this Policy.

If a sub-limit is shown as No Coverage, it means that no such coverage is provided regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss,

3. ADDITIONAL PROVISIONS

A. Each loss caused by Flood shall constitute a single claim payable under this Policy. All losses caused by Flood within a 72-hour period shall be deemed a single Occurrence within the meaning of this Policy. When filing proof of loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to covered property occurs.

- B. The Company will pay for direct physical loss or damage caused by Flood occurring for a period of up to 72-hours after the expiration of this Policy provided that the first Flood loss or damage occurs prior to the date and time of the expiration of this Policy.
- C. This endorsement does not insure any loss or damage caused by any Flood commencing before the effective date and time of this policy nor commencing after the expiration date and time of this policy.
- D. This endorsement does not increase any amounts or limits of insurance provided by this policy.
- E. This endorsement does not insure against loss or damage to retaining walls, seawalls, bulkheads, wharves, piers, bridges, docks or other structures located on or partially over water, or personal property in the open.
- F. This endorsement does not insure against loss or damage caused by or resulting from tsunami regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

4. Definitions

A. The term Flood shall mean:

- 1. Storm surge, Surface water, waves or tidal water, and the rising (including the overflow or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbors, streams or similar bodies of water, whether driven by wind or not.
- 2. Mudslide or mudflow;
- 3. Water that backs up from any sewer or drain;
- 4. Any release of water impounded by a dam;
- 5. Tsunami

- B. High Hazard Flood Zone means areas which at time of loss or damage have been designated by the Federal Emergency Management Agency to be in an area having special flood, mudflow, or flood-related erosion hazards, and shown on a Flood Hazard Boundary Map or a Flood Insurance Rate Map as Zone A, AO, A1-A30, AE, A99, AH, AR, AR/A, AR/AE, AR/AH, AR/AO, AR/A1-A30, V1-V30, VE, or V.

5. SPECIFIC TERMS AND CONDITIONS

A provision applies if an "X" appears in the box along side it.

A. Basement Exclusion

This endorsement does not insure against loss or damage to any property located in a basement or below the surface of the ground. The term basement shall mean any area of a structure having its bottom surface, whether floored or not, sub-grade (below ground level on all four sides of such structure).

B. No High Hazard Flood Erosion of Underlying Limits

For the purpose of determining the attachment of coverage under this Policy and the amount payable under this Policy, any loss, damage, cost, claim or expense directly or indirectly arising out of or relating to physical loss or damage to property at locations partially or wholly located within a High Hazard Flood Zone caused by or resulting from Flood shall not be recognized by this Policy as eroding or exhausting the Limits of Insurance of the Underlying Insurance.

WEST VIRGINIA NOTICE TO CONSUMERS (CIVIL JUSTICE REFORMS)

Your costs for this policy have not been reduced because of civil justice reforms enacted by the West Virginia Legislature in 2005 and signed into law by the governor.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED EXCLUSION OF ACTS OF TERRORISM (OTHER THAN CERTIFIED ACTS OF TERRORISM); CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM; COVERAGE FOR CERTAIN FIRE LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

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

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph b. of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.

B. The following exclusion is added:

EXCLUSION OF AN "OTHER ACT OF TERRORISM"

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
3. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

With respect to this Item B.3., the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act of terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an "other act of terrorism", there is no coverage under this Coverage Part or Standard Property Policy.

C. Exception Covering Certain Fire Losses

If an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

D. Cap On Certified Terrorism Losses

With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

E. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Standard Property Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF ACTS OF BIOLOGICAL OR CHEMICAL TERRORISM; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM; COVERAGE FOR CERTAIN FIRE LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

- A.** The following definitions are added with respect to the provisions of this endorsement:
1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
 2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.
- B.** The following exclusion is added:
- EXCLUSION OF AN "OTHER ACT OF TERRORISM"**
- We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or both of the following are attributed to such act:
1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
 2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
- C. Exception Covering Certain Fire Losses**
- If an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.
- D. Cap On Certified Terrorism Losses**
- With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

E. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Standard Property Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

STATE FRAUD STATEMENTS

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Applicable in Arkansas

Arkansas Fraud Statement

"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Applicable in Colorado

Colorado Fraud Statement

"It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies."

Applicable in District of Columbia

District of Columbia Fraud Statement

"Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant."

Applicable in Florida

Florida Fraud Statement

"Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree."

Applicable in Kentucky

Kentucky Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime."

Applicable in Louisiana and New Mexico

Louisiana and New Mexico Fraud Statement

"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties."

STATE FRAUD STATEMENTS

Applicable in Maine

Maine Fraud Statement

"It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits."

Applicable in New Jersey

New Jersey Fraud Statement

"Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties."

Applicable in New York

New York Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation."

Applicable in Ohio

Ohio Fraud Statement

"Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud."

Applicable in Oklahoma

Oklahoma Fraud Statement

"Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony."

Applicable in Pennsylvania

Pennsylvania Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

Applicable in Tennessee, Virginia and Washington

Tennessee, Virginia and Washington Fraud Statement

"It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

IN WITNESS WHEREOF, the Company has caused the facsimile signatures of its President and Secretary to be affixed hereto, and has caused this policy to be signed on the Declarations Page by an authorized representative of the Company.

Axis Insurance Company



Secretary



President



CLAIM NOTICE

Please notify:

AXIS U.S. INSURANCE

During business hours of 8:30 am est. to 4:30 pm est.

**11680 Great Oaks Way
Suite 500
Alpharetta, GA 30022
PH (678) 746-9400
FAX (678) 746 9315**

After business hours

Please contact GAB Robins at 1-800-621-5410.