



ARCH SPECIALTY INSURANCE COMPANY

(A Missouri Corporation)

Home Office Address:
2345 Grand Blvd.
Suite 900
Kansas City, Missouri 64108

Administrative Address:
Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107
Tel: (866) 413-5550

COMMERCIAL PROPERTY DECLARATIONS

Policy Number: ESP1046649-01
Renewal of: ESP1046649-00
Named Insured: State of West Virginia, State Agencies
Address: 1124 Smith Street, Suite 4300
Charleston, WV 25301

Policy Period:
From: July 1, 2024
To: July 1, 2025
at 12:01 A.M., Standard Time at your mailing address shown above.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Property Coverage Part	PREMIUM
	\$75,000.00
Total	\$75,000.00

Premium Shown is payable at inception.

LOCATION COVERED: As Per Schedule on File with the Company

FORMS AND ENDORSEMENTS Applying to this Coverage Part and Made Part of this Policy at Time of Issue: See attached Schedule of Forms and Endorsements

ISSUE DATE: October 17, 2024

Surplus Lines Agent Name: RSG Specialty, LLC
Surplus Lines Agent Address: 44 Montgomery Street
Suite 2000
San Francisco, CA 94104

Surplus Lines Agent License: 002351220
Surplus Lines State Taxes were filed: WV

Arch Specialty Insurance Company is licensed in the state of Missouri only.

SCHEDULE OF FORMS AND ENDORSEMENTS

NAMED INSURED: State of West Virginia, State Agencies	TERM: July 01, 2024 to July 01, 2025
POLICY NUMBER: ESP1046649-01	

ENDT. NO.	FORM NO.	TITLE
	06 ML0002 00 12 14	SIGNATURE PAGE (ARCH SPECIALTY)
1	00 EXP0009 00 11 14	MINIMUM EARNED PREMIUM CLAUSE – PERCENTAGE
	00 EXP0091 00 11 03	COMMON POLICY CONDITIONS
2	00 ML0325 00 03 23	CHOICE OF LAW, CONSENT TO JURISDICTION, LIMITATION OF ACTIONS AND SERVICE OF SUIT
	06 CP0002 00 03 08	CLAIMS HANDLING PROCEDURES (Arch Specialty Ins. Co.)
3	00 EXP0125 00 06 06	TOTAL TERRORISM EXCLUSION
	00 ML0065 00 06 07	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")
4	00 EXP0078 00 03 24	OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT
5	00 EXP0003 00 08 14	EXCLUSION AND LIMITED ADDITIONAL COVERAGE FOR FUNGUS
6	00 EXP0004 00 08 15	ELECTRONIC DATA LOSS OR DAMAGE - EXCLUSION
7	00 EXP0189 00 02 15	ASBESTOS MATERIAL REMOVAL LIMITATION
8	00 EXP0192 00 03 15	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
9	00 EXP0225 00 03 21	APPRAISAL
10	00 EXP0132 00 11 14	PRE-EXISTING DAMAGE EXCLUSION
11	00 EXP0134 00 06 14	AMENDATORY ENDORSEMENT
12	00 PRP0042 00 06 15	POLLUTION AND CONTAMINATION EXCLUSION ENDORSEMENT
	06 EXPS001 00 08 18	EXCESS PHYSICAL DAMAGE SCHEDULE
		BROKER POLICY MANUSCRIPT FORM



Signature Page

IN WITNESS WHEREOF, Arch Specialty Insurance Company has caused this policy to be executed and attested.

A handwritten signature in cursive script that reads "Brian D. First".

Brian D. First
President

A handwritten signature in cursive script that reads "Regan A. Shulman".

Regan Shulman
Secretary

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM CLAUSE – PERCENTAGE

This endorsement modifies insurance provided under this policy.

It is agreed that in the event of cancellation of this policy by you, a minimum premium of 35.00% of the original policy premium shall become earned; any conditions of the policy to the contrary notwithstanding.

Your failure to make timely payment of premium shall be considered a request by you for us to cancel. In the event of such cancellation by us for non-payment of premium, the minimum premium shall be due and payable; provided, however, such non-payment cancellation shall be rescinded if you remit the full premium due within ten (10) days of receiving it.

In the event of any other cancellation by us, the earned premium shall be computed pro rata, not subject to the minimum premium.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 1

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

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. 120 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.

**CHOICE OF LAW, CONSENT TO JURISDICTION, LIMITATION OF ACTIONS AND
SERVICE OF SUIT**

This endorsement modifies insurance provided under this policy.

It is agreed that:

1. Choice of Law

This policy, including all additions, endorsements and modifications thereto, and/or any dispute or action arising under or relating to this policy shall be interpreted under the laws of the State of New York.

2. Consent to Jurisdiction

By accepting this policy or by presenting a claim that any insured contends is or may be covered under this policy, the Named Insured and any other insured submits themselves to the exclusive jurisdiction of the Supreme Court of the State of New York in New York County, New York or the United States District Court for the Southern District of New York. The Insured agrees to comply with all requirements necessary to give such court jurisdiction, and, to the extent permitted by law, to expressly waive all rights to challenge or otherwise limit such jurisdiction. All matters arising under or relating to this policy shall be determined in accordance with the law and practice of such Court, provided that nothing shall prohibit the Insurer from removing any action, suit or proceeding to the United States District Court for the Southern District of New York.

3. Limitation of Actions

No suit may be initiated against the Insurer:

a. if commenced:

- (1) before the Insured has given the Insurer notice of loss or damage and has permitted the Insurer reasonable opportunity to investigate such loss or damage; and
- (2) more than twelve (12) months after such loss or damage first occurs unless the Insurer agrees in writing to extend such time period; or

b. if the Insured has not complied with the terms of this policy.

Neither paragraph 2 of this endorsement nor the filing of any suit precludes the enforcement of any arbitration provision in this policy.

4. Service of Suit

Service of process in the above described action, suit or proceeding may be made upon:

General Counsel
Arch Specialty Insurance Company
Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107.

Upon the request of the Insured, such General Counsel shall give a written undertaking to enter an appearance on behalf of the Insurer in the event that such an action, suit or proceeding shall be instituted.

Pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner, or Director of Insurance or other officer specified in such statute as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted against the Insurer upon this Policy. The Superintendent, Commissioner or Director of Insurance or other officer is hereby authorized and directed to accept service of process on behalf of the Insurer in any such action, suit or proceeding and to mail a copy of such process to the above mentioned General Counsel.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 2

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

CLAIMS HANDLING PROCEDURES

An important value of your insurance coverage is the ability of the insurance company to respond when you have a claim. Arch Specialty Insurance Company is committed to providing its insureds with effective claim services.

Notices of each incident, claim or suit must be sent immediately to:

Arch Specialty Insurance Company
PROPERTY Claims
1299 Farnam Street, Suite 500
Omaha, NE 68102
P.O. Box 542033
Omaha, NE 68154
Phone: 877 688-ARCH (2724)
Fax: 866 266-3630
Email: Claims@ArchInsurance.com

You will be contacted by a representative of the company's Claim Department. This representative will confirm receipt of the loss notice directly to you, provide a company claim number for all future correspondence, refer to an adjuster if necessary, and discuss further handling of the claim.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL TERRORISM EXCLUSION

This endorsement modifies insurance provided under the Policy.

- A.** The following definition is added and applies under this endorsement whenever the term terrorism, is enclosed in quotation marks:

“Terrorism” means activities against persons, organizations or property of any nature:

- 1.** that involve the following or preparation for the following:
 - a.** use or threat of force or violence; or
 - b.** commission or threat of a dangerous act; or
 - c.** commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- 2.** When:
 - a.** the effect is to intimidate or coerce a government or a civilian population or any segment thereof, or to disrupt any segment of the economy; and/or
 - b.** it appears that the intent is to intimidate or coerce a government or a civilian population, or to further a philosophical, political, ideological, religious, social or economic objective or to express (or express opposition to) a philosophical, political, ideological, religious, social or economic objective.

- B.** The following exclusion is added:

EXCLUSION OF TERRORISM

We (the Company) will not pay for loss or damage caused directly or indirectly by “terrorism”, including action in hindering or defending against an actual or expected incident of “terrorism”. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage.

This exclusion also applies when one or more of the following are attributed to an incident of “terrorism”:

- 1.** The “terrorism” is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- 2.** Radioactive material is released, and it appears that one purpose of the “terrorism” was to release such material; or
- 3.** The “terrorism” involves the use, release, or escape of nuclear materials, or that directly or indirectly results in nuclear reaction, nuclear radiation or radioactive contamination; or
- 4.** The “terrorism” is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

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

C. Application Of Other Exclusions

1. When the EXCLUSION OF TERRORISM applies in accordance with the terms of **B.1.**, **B.2.** or **B.3.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
2. The EXCLUSION OF TERRORISM contained in this Endorsement replaces any terrorism exclusion contained in this Coverage Form, Coverage Part or Policy.
3. 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 or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion, War Exclusion, or the War And Military Action Exclusion.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 3

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

**U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN
ASSETS CONTROL ("OFAC")
ADVISORY NOTICE TO POLICYHOLDERS**

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under this Policy.

It is agreed that the following special terms and conditions apply to this policy:

- 1.** The DEFINITIONS Section of the policy and any forms or endorsements attached thereto are amended by the addition of the following Definitions:
 - a.** "Occurrence" shall mean any one loss, disaster, casualty or series of losses, disasters or casualties, arising out of one event. The duration and extent of any one loss, disaster, casualty or series of losses, disasters or casualties will be limited to all losses or series of losses occurring during any period of 168 consecutive hours arising out of, and directly occasioned by, the same event.

When the term applies to loss or series of losses from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, earthquake, earth movement, volcanic action, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief, terrorism, one event shall be construed to be all losses arising during a continuous period of 72 hours. When filing proof of loss, you may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than when the first loss occurs to any Covered Property.
 - b.** "Program" shall mean the sum of all policies from all insurance companies issued to you, inclusive of any self-insurance which may be arranged in one or more layers that provide coverage up to an agreed Program limit.
 - c.** "Statement of Values" shall mean any statement, spreadsheet, or schedule provided by you or your agent or representative and reviewed and accepted by us, which identifies the locations covered under our policy and the values for individually Scheduled Items related to each location.
 - d.** "Scheduled Item" shall mean any separately identified value on the Statement of Values, including but not limited to a building-specific or location-specific value for real property, personal property, improvements and betterments, mobile equipment, stock/inventory, machinery and equipment, inventory in transit, business income, business interruption, gross earnings, gross profits and/or rental value. While the Statement of Values may include a Total Insured Value ("TIV") for each building or location, the TIV is not a "Scheduled Item."
- 2.** The premium for this policy is based upon the Statement of Values on file with us, or attached to this policy. In the event of loss hereunder, your recovery prior to the application of paragraphs **3**, **4** and **5** is limited to the least of the following:
 - a.** The actual adjusted amount of loss for each individually Scheduled Item insured which suffered loss or damage.
 - b.** The individually stated value for each Scheduled Item of interest insured which suffered loss or damage, as shown on the latest Statement of Values on file with us, or attached to this policy.
 - c.** The Limit of Liability or Amount of Insurance shown on the Declarations Page or endorsed onto this policy.

3. After the amount of your recovery is determined pursuant to paragraph 2 above, the amount of our liability shall be determined by applying any underlying insurance, self-insurance, applicable deductibles, and our percentage of the risk as specified elsewhere in the Policy.
4. If, under the terms of this policy, our participation is limited to a percentage or part of the overall Program limits of liability provided by all insurers, this endorsement does not increase our percentage of participation or decrease our attachment point.
5. The Limit of Liability or Amount of Insurance shown on the Declarations Page of this policy, or endorsed onto this policy, is the total limit of our liability applicable to each "occurrence". Notwithstanding any other terms and conditions of this policy, in no event shall our liability exceed this limit or amount, irrespective of the number of locations involved.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 4

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION AND LIMITED ADDITIONAL COVERAGE FOR FUNGUS

This endorsement modifies insurance provided under this policy.

- A.** The following item is added to **EXCLUSIONS**, section **B**. With respect to the loss or damage addressed therein, this exclusion supersedes any other exclusion which addresses fungus.

EXCLUSION – “Fungus”, Wet Rot, Dry Rot And Bacteria

We will not pay for loss or damage caused directly or indirectly by the presence, growth, proliferation, spread or any activity of “fungus”, wet or dry rot or bacteria. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But if “fungus”, wet or dry rot or bacteria results in:

1. A “specified cause of loss”, we will pay for the loss or damage caused by that “specified cause of loss”, if the Causes of Loss – Special Form applies; or
2. A “covered cause of loss”, we will pay for the loss or damage caused by that “covered cause of loss”, if the Causes of Loss – Basic Form and Causes of Loss – Broad Form applies.

This exclusion does not apply:

1. When “fungus”, wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage – Limited Coverage For “Fungus”, Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

- B.** The following exclusion replaces any exclusion pertaining to continuous or repeated seepage or leakage of water; and supersedes any other exclusion, preclusion of coverage or exception to an exclusion pertaining to leakage or discharge of water or steam from a system or appliance.

We will not pay for loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- C.** The following item is added to **ADDITIONAL COVERAGES**:

ADDITIONAL COVERAGE – Limited Coverage For “Fungus”, Wet Rot, Dry Rot And Bacteria

1. This limited coverage applies only when the “fungus”, wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that “occurrence”, and only if any loss resulting from the following is reported to us within 60 days of the “occurrence”:
 - a. A “specified cause of loss” other than fire or lightning; or
 - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are a part of a vegetated roof.

2. Under conditions described in item **A.1.** above, we will pay for loss or damage by “fungus”, wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by “fungus”, wet or dry rot or bacteria, including the cost of removal of the “fungus”, wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the “fungus”, wet or dry rot or bacteria; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that “fungus”, wet or dry rot or bacteria are present.
3. The coverage provided under this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all “occurrences” which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular “occurrence” of loss which results in “fungus”, wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the “fungus”, wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.
4. The coverage provided under this Limited Coverage is a sub-limit and does not increase the applicable Limit of Insurance on any Covered Property. If a particular “occurrence” results in loss or damage by “fungus”, wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by “fungus”, wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that “fungus”, wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
5. The terms of this Limited Coverage do not increase or reduce the coverage provided under paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes of Loss form or under the Additional Coverage – Collapse.
6. The following **6.a.** or **6.b.** applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the “suspension” of “operations” satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage form.
 - a. If the loss which resulted in “fungus” wet or dry rot or bacteria does not in itself necessitate a “suspension” of “operations”, but such “suspension” is necessary due to loss or damage to property caused by “fungus”, wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered “suspension” of “operations” was caused by loss or damage other than “fungus”, wet or dry rot or bacteria but remediation of “fungus”, wet or dry rot or bacteria prolongs the “period of restoration”, we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the “period of restoration”), but such coverage is limited to 30 days. The days need not be consecutive.

D. The following item is added to **DEFINITIONS**:

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

E. Item **d.2.** under section **2.** of the **EXCLUSIONS** is amended to read:

"Rust, corrosion, decay, deterioration, hidden or latent defect or quality in property that causes it to damage or destroy itself".

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 5

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC DATA LOSS OR DAMAGE - EXCLUSION

This endorsement modifies insurance provided under this policy.

A. It is agreed that the following definitions apply:

“Electronic Data” means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

“Computer Virus” means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of 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’.

B. Except as provided in the Additional Coverage – Electronic Data, if any, the following exclusion applies:

Damage to Electronic Data

We will not pay for loss, destruction, distortion, erasure, corruption, deletion, manipulation or alteration of or damage to “Electronic Data” including loss of use, reduction in functionality, or any cost or expense to replace or restore such “Electronic Data” from any cause whatsoever (including, but not limited to, “Computer Virus” or a willful or malicious act).

This exclusion applies regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However, this exclusion does not apply to loss, destruction, distortion, erasure, corruption, deletion, manipulation or alteration of or damage to “Electronic Data” arising from the following specified causes of loss, if these causes of loss are not otherwise excluded: fire, lightning, explosion, windstorm or hail, strike, riot or civil commotion, leakage from fire extinguishing equipment, impact or collapse. However, this exception does not apply to fire or explosion resulting from risks excluded under any terrorism exclusion.

C. Except as provided in the Additional Coverage – Interruption Of Computer Operations, if any, the following is added to the Business Income and/or Extra Expense Coverage, as applicable:

Additional Limitation – Interruption Of Computer Operations

We will not pay for:

1. Business Income loss incurred when a “suspension” of “operations” is caused by loss, destruction, distortion, erasure, corruption, deletion, manipulation or alteration of or damage to “Electronic Data” from any cause whatsoever (including, but not limited to, “Computer Virus” or a willful or malicious act).
2. Extra Expense loss incurred when action is taken to avoid or minimize a “suspension” of “operations” caused by loss, destruction, distortion, erasure, corruption, deletion, manipulation

or alteration of or damage to "Electronic Data" from any cause whatsoever (including, but not limited to, "Computer Virus" or a willful or malicious act).

This limitation applies regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However, this limitation will not apply to loss, destruction, distortion, erasure, corruption, deletion, manipulation or alteration of or damage to "Electronic Data" arising from the following specified causes of loss, if these causes of loss are not otherwise excluded: fire, lightning, explosion, windstorm or hail, strike, riot or civil commotion, leakage from fire extinguishing equipment, impact or collapse. However, this exception does not apply to fire or explosion resulting from risks excluded under any terrorism exclusion.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 6

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS MATERIAL REMOVAL LIMITATION

This endorsement modifies insurance provided under this policy.

It is agreed that:

ASBESTOS MATERIAL REMOVAL LIMITATION

This policy excludes any loss, damage or expense to remove or replace asbestos materials unless such materials are themselves damaged by a Covered Cause of Loss.

Notwithstanding that competent Government Authority may declare all or parts of the insured premises unfit for occupancy without removal or modifications to asbestos materials, our liability is limited to the proportion represented by the cost to repair the damaged part of the premises, not the entire property.

Similarly, if the policy provides any coverage for business income, extra expense, loss of rents or rental value or other loss of use or occupancy, such coverage shall be limited to the time necessary to repair or replace only the damaged portion(s) of the premises.

Nothing in this Endorsement shall override any radioactive contamination exclusion clause in the Policy to which this Endorsement is attached.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 7

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under this policy.

It is agreed that:

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

- 1.** The exclusion set forth in Paragraph **2.** applies to all coverages under all forms and endorsements that comprise this 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 or action of civil authority.
- 2.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease. However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this policy.
- 3.** With respect to any loss or damage subject to the exclusion in Paragraph **2.**, such exclusion supersedes any exclusion relating to "pollutants".
- 4.** The following provisions in this policy are hereby amended to remove reference to bacteria:
 - (a)** EXCLUSION – "Fungus", Wet Rot, Dry Rot And Bacteria;
 - (b)** ADDITIONAL COVERAGE – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, Including any endorsement increasing the scope or amount of coverage.

The terms of the exclusion in Paragraph **2.**, 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 policy.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 8

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

APPRAISAL

This endorsement modifies insurance provided under all Coverage Parts.

This endorsement replaces any and all other provisions regarding appraisal.

If we and you disagree on the value of the property or the amount of loss, either party may request, in writing, an appraisal of the value of the property and/or the amount of loss. You cannot make such request unless: (i) you have fully complied with all provisions of this policy; and (ii) we have received a signed and sworn proof of loss from you identifying the total amount being claimed under the policy along with detailed amounts for each type of coverage being claimed including but not limited to real property, personal property, stock, contents, debris removal, business income, extra expense, ordinance or law, and any other additional coverage a claim is being made.

An appraisal may then take place only if the other party agrees in writing to participate in the appraisal process pursuant to terms of a written agreement between the parties. At a minimum, such written agreement will specify a protocol for:

- (i) the selection of a disinterested, competent and impartial appraiser who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award;
- (ii) the inspection of the property by the appraisers;
- (iii) the selection of an umpire;
- (iv) communications between and among the appraisers and umpire;
- (v) specific itemization of each item of property and business income in dispute, allocated building-by-building, floor-by-floor, unit-by-unit, and/or area-by-area or as otherwise agreed; and
- (vi) an award form.

If the parties cannot agree on a written agreement specifying the protocol within 30 days, an appraisal will not take place.

If the appraisal moves forward, the two appraisers will select a disinterested, competent and impartial umpire who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award.

If the two appraisers cannot agree on an umpire within 15 days of either appraiser proposing one or more umpires, the two appraisers may jointly request that a judge of a court in the county of the loss or damage select a disinterested, competent and impartial umpire who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award.

If either party to the appraisal, without notice to the other party, asks a judge to select an umpire, any such selection shall be invalidated and the selection of a new umpire shall be required. If the appraisers do not jointly agree to request the appointment of an umpire, either you or we can unilaterally end the appraisal upon written notice to the other.

Each appraiser will independently state, in accordance with the terms and conditions of this policy, the actual cash value and replacement cost value for each item of damaged real and personal property as well as any other disputed amounts as required by the written appraisal agreement.

If the appraisers fail to agree, they will submit their differences to the umpire and any agreement in the amount of loss between the umpire and either appraiser will be binding.

Each party will pay its chosen appraiser and will equally bear all other expenses of the appraisal and umpire.

In connection with the appraisal proceeding, neither the appraisers nor the umpire shall have authority to decide questions of law. Neither the appraisers nor the umpire shall attempt to resolve any issue of insurance coverage, policy exclusions, compliance with the policy terms and conditions, or any issues concerning any limits of insurance available under the Policy.

A demand for an appraisal does not relieve you of your continuing obligation to comply with the terms and conditions of this policy, including all requirements outlined in event of a loss. We may require completion of any of your duties, responsibilities or requirements of this policy prior to continuance of the appraisal proceeding. We will not be held to have waived any of our rights by any act relating to appraisal, including our right to deny a claim in whole or in part.

Where applicable, the parties agree that during the pendency of an appraisal all required responses and cures to any Civil Remedy Notices are extended until 30 days after the appraisal is concluded.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 9

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRE-EXISTING DAMAGE EXCLUSION

This endorsement modifies insurance provided under this policy.

It is agreed that this policy does not cover any loss or damage directly or indirectly caused by, resulting from or contributed to by any pre-existing property damage.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 10

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT

It is agreed that:

Excluding Taxes for this Insured due to them being Exempt

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 11

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION AND CONTAMINATION EXCLUSION ENDORSEMENT

Notwithstanding any other provisions to the contrary in the policy to which this endorsement is attached, it is agreed that:

This policy does not cover any loss, damage, cost or expense caused by, resulting from, contributed to or made worse by actual, suspected, alleged or threatened presence, discharge, dispersal, seepage, migrations, introduction, release or escape of "Pollutants or Contaminants", all whether direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any physical damage insured by this policy, except as specifically referenced below.

Nevertheless, if a fire or explosion arises directly or indirectly from "Pollutants or Contaminants", any loss or damage insured under this policy arising directly from the fire or explosion is insured, subject to the provisions of this policy.

"Pollutants or Contaminants" means any material, whether solid, liquid, gaseous or otherwise, which can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property insured hereunder. "Pollutants or Contaminants" include, but are not limited to, foreign substances, impurities, hazardous materials, poisons, toxins, pathogens or pathogenic organisms, bacteria, virus, and any disease causing or illness causing agents.

However, this exclusion shall not apply to loss or damage directly caused by fire, lightning, aircraft impact, explosion, riot, civil commotion, vehicle impact, windstorm, hail, vandalism or accidental discharge from automatic fire protective systems.

All other terms and conditions of this policy remain unchanged.

Endorsement Number: 12

Policy Number: ESP1046649-01

Named Insured: State of West Virginia, State Agencies

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: July 1, 2024



ARCH INSURANCE COMPANY
(A Missouri Corporation)

Home Office Address:
2345 Grand Blvd.
Suite 900
Kansas City, Missouri 64108

Administrative Address:
Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107
Tel: (866) 413-5550

EXCESS PHYSICAL DAMAGE SCHEDULE

NAMED INSURED:	State of West Virginia, State Agencies
POLICY NUMBER:	ESP1046649-01
ADDRESS(ES) OF INSURED PREMISES:	As per schedule of locations and values on file with the company
PERIL(S) COVERED:	"All Risks" of Direct Physical Loss or Damage Excluding Flood and Earthquake subject to policy terms, conditions, and exclusions
PROPERTY COVERED:	Real Property Business Personal Property
OUR LIMIT/PARTICIPATION IN EXCESS OF THE DEDUCTIBLE/RETENTION: \$7,500,000 Per Occurrence Part of \$25,000,000 Excess of \$125,000,000 Per Occurrence	
CONTROLLING UNDERLYING INSURANCE/FOLLOWED POLICY (INSURER AND POLICY NUMBER): THE PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY N1-A3-PP-0000033-02	
EXCEPTIONS TO THE CONTROLLING UNDERLYING POLICY: PER ENDORSEMENT(S) ATTACHED, IF ANY: As per schedule of locations and values on file with the company	

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)

THE SCHEDULE

Policy Number: **ESP1046649-01**

Insuring Company **Arch Specialty Insurance Company**

1. Named Insured: State of West Virginia
2. Mailing Address: 1124 Smith Street
Suite 4300
Charleston, WV 25301
3. Policy Period: From: July 01, 2024
To: July 01, 2025
Both days at 12:01 a.m. Local Standard Time
4. Perils Insured: As defined in the Lead Primary Policy issued by Princeton Excess & Surplus Lines Insurance Company
Policy Number: N1-A3-PP-0000033-02
5. The Property of Interest: As defined in the Lead Primary policy issued by Princeton Excess & Surplus Lines Insurance Company
Policy Number: N1-A3-PP-0000033-02
6. The Property is located or contained at: As defined in the Lead Primary policy issued by Princeton Excess & Surplus Lines Insurance Company
Policy Number: N1-A3-PP-0000033-02
7. Premium: \$75,000
8. Primary Limit(s):

COVERAGE LAYER	TOTAL LIMIT OF LIABILITY FOR PRIMARY INSURER	INSURER POLICY NO.	CARRIER
I.	\$4,500,000 part of \$20,000,000 Primary	N1-A3-PP-0000033-02	Princeton
II.	\$3,500,000 part of \$20,000,000 Primary	0313-4553-1A	AWAC
III.	\$3,000,000 part of \$20,000,000 Primary	B0507PP2401316	Lloyd's
IV.	\$1,000,000 part of \$20,000,000 Primary	1000659625-01	Ironshore
V.	\$1,000,000 part of \$20,000,000 Primary	D39136570 003	Westchester
VI.	\$1,000,000 part of \$20,000,000 Primary	SLSTPTY12141524	Starr
VII.	\$1,500,000 part of \$10,000,000 Primary	D32D71240301	Beazley
VIII.	\$1,500,000 part of \$10,000,000 Primary	061383648	Lexington

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)

\$20,000,000 as respects all coverage's for any one "occurrence" regardless of the number of locations, coverages, or perils involved, except the sub limits as outlined on the primary policy are part of the overall policy limit and do not increase this company's overall limit as stated above.

Underlying Excess Limit(s):

COVERAGE LAYER	TOTAL LIMIT OF LIABILITY FOR ALL UNDERLYING EXCESS INSURERS	INSURER POLICY NO.	CARRIER
IX.	\$500,000 p/o \$10,000,000 x/s \$10,000,000 Primary	061384442	Lexington
X.	\$2,500,000 p/o \$10,000,000 x/s \$10,000,000 Primary	MKLV2XPR002310	Evanston
XI.	\$105,000,000 x/s \$20,000,000 Primary	NHD944868	RSUI
XII.	\$10,000,000 p/o \$25,000,000 x/s \$125,000,000	US00142063PR24A	Indian Harbor
XIII.	\$7,500,000 p/o \$25,000,000 x/s \$125,000,000	EXP7001464	Mitsui
XIV.	\$7500,000 p/o \$25,000,000 x/s \$125,000,000	ESP1046649-01	Arch
XV.	\$150,000,000 x/s \$150,000,000	B0507PP2401317	Chubb

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)

1. INSURING CLAUSE:

Subject to the limitations, terms and conditions contained in this Policy or added hereto, the Insurer(s) agree to indemnify the Insured named in The Schedule herein in respect of Direct Physical loss or damage to the property described in Item 5 of The Schedule, while located or contained as described in The Schedule, occurring during the period stated in The Schedule and caused by any of such perils as are set forth in Item 4 of The Schedule and which are also covered by and defined in the Policy(ies) specified in The Schedule and issued by the "Primary Insurer(s)" stated therein.

2. APPLICATION OF UNDERLYING PROVISIONS:

In respect of the perils hereby insured against this Policy is subject to the same warranties, terms and conditions (except as regards the premium, the amount and Limits of Liability other than the deductible or self-insurance provision where applicable, and the renewal agreement, if any, AND EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or as may be added to the Policy(ies) of the Primary Insurer(s) prior to the happening of a loss for which claim is made hereunder and should any alteration be made in the premium for the Policy(ies) of the Primary Insurer(s), then the premium hereon may be adjusted accordingly.

3. LIMIT:

Provided always that liability attaches to the Insurer(s) only after the Primary and Underlying Excess Insurer(s) have paid or have admitted liability for the full amount of their respective liability as set forth in Item 8 and/or 9 of The Schedule and designated "Primary and Underlying Excess Limit(s)" and then the limits of the Insurer(s) Liability shall be those set forth in Item 8 and/or 9 of The Schedule under the designation "Underlying Excess Limit(s)" and the Insurer(s) shall be liable to pay up to the full amount of such "Underlying Excess Limit(s)".

4. MAINTENANCE OF PRIMARY AND UNDERLYING EXCESS POLICY/IES AND LIMITS:

It is a condition precedent to recovery under this Policy that the Policy(ies) and Limit(s) of the Primary and Underlying Excess Insurer(s) set forth in Item 8 and/or 9 of The Schedule be maintained in full force and effect, except for any reduction or exhaustion of any underlying aggregate Limits of Liability contained therein, solely by the amount of loss(es) paid or admitted during the policy term.

There is no recovery under this excess policy as respects those coverages which are sub-limited within the primary and/or underlying excess policy(ies) to amounts less than the amount indicated in item 8 of the Schedule, however, the Insurer(s) to this excess policy recognize that the primary and underlying excess policy limits can be eroded or exhausted, wholly or partially, by application of said sub-limits.

In the event of such reduction of the aggregate Limits of Liability of the Primary and Underlying Excess Insurance's this Policy shall pay excess over the reduced aggregate limit. In the event of exhaustion of aggregate Limits of Liability of the Primary and Underlying Excess Insurance's this Policy, subject to all its provisions, shall continue in force as Primary Insurance in respect to perils covered by this policy for which the aggregate Limit of Liability has been so exhausted and the deductible or self-insured amount applicable to that peril, as set forth in Item 8 of the Schedule, shall apply to this Policy.

5. UNCOLLECTIBILITY OF OTHER INSURANCE:

Notwithstanding any of the terms of this Policy that might be construed otherwise, the insurance provided by this Policy shall always be excess over the maximum monetary limits set forth in Item 8 and/or 9 of The Schedule (reduced only by reduction of any underlying aggregate limits as provided for in Clause 4 herein) regardless of the uncollectibility (in whole or in part) of any underlying insured amounts for any reason, including, but not limited to, the financial impairment or insolvency of an underlying Insurer(s).

The risk of uncollectibility (in whole or in part) of other insurance, whether because of financial impairment or insolvency of an underlying or other insurer(s) or for any other reason, is expressly retained by the Insured and is not in any way or under any circumstances insured or assumed by Insurer(s).

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)

In the event of the bankruptcy or insolvency, or other financial impairment, of any underlying insurer, this policy shall not be liable for the obligations of the underlying policy. This policy shall apply as if the underlying insurance were valid and collectible. This insurance shall not replace the underlying insurance.

6. DEFINITIONS:

(a) Loss: The word "loss" shall mean each and every covered loss or series of covered losses arising out of one occurrence.

(b) Ultimate Net Loss: The words "Ultimate Net Loss" shall mean the covered loss sustained by the Insured as a result of each and every loss or series of covered losses arising out of one occurrence limited by

(i) any sub-limits contained within this Policy or the Policy(ies) of the Primary and/or Underlying Excess Insurer(s), and

(ii) making deductions for all salvages, recoveries and other insurance's (other than recoveries under the Policy(ies) of the Primary and Underlying Excess Insurer(s)).

(c) Policy Term: The words "policy term" shall be understood to mean the period of Item 3 of The Schedule.

7. APPLICATION OF RECOVERIES:

All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Insurer(s), provided always that nothing in this Policy shall be construed to mean that losses under this Policy are not recoverable until the Insured's ultimate net loss has been finally ascertained.

8. CANCELLATION:

This insurance may be cancelled by the Insured at any time by written notice or by surrender of this Policy. This insurance may also be cancelled by or on behalf of the Insurer(s) by delivering to the Insured or by mailing to the Insured, by registered, certified or other first class mail, at the Insured's address as shown in this insurance written notice stating when, not less than ninety (90) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this insurance shall terminate at the date and hour specified in such notice.

If this insurance shall be cancelled by the Insured, the Insurer(s) shall retain the customary short rate proportion of the premium hereon, except that if this insurance is on an adjustable basis, the Insurer(s) shall receive the earned premium hereon, or the customary short rate proportion of any minimum premium stipulated herein, whichever is the greater.

If this insurance shall be cancelled by or on behalf of the Insurer(s), the Insurer(s) shall retain the pro rata proportion of the premium hereon, except that if this insurance is on an adjustable basis the Insurer(s) shall receive the earned premium hereon, or the pro rata proportion or any minimum premium stipulated herein, whichever is the greater.

Payment or tender of unearned premium by the Insurer(s) shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable.

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 so as to be equal to the minimum period of limitation permitted by such law.

Notwithstanding anything contained in Item 8 CANCELLATION of the wording to the contrary, in the event of nonpayment of the Premium stated in the Schedule, Insurer(s) may cancel this Insurance with written notice to the Insured stating when, not less than ten (10) days thereafter, the cancellation shall be effective.

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)

9. NOTIFICATION OF CLAIMS:

The Insured upon knowledge of any occurrence likely to give rise to a claim hereunder shall give immediate written advice thereof to the person(s) or firm named for the purpose in Item 10 of The Schedule.

10. PRIORITY OF PAYMENT:

Notwithstanding anything contained herein to the contrary it is hereby agreed that in the event of a claim hereunder which involves more than one interest and/or coverage and/or peril, it shall be at the sole option of the Insured to apportion recovery under this policy when submitting final proof of loss, subject to the overall amount of claim not exceeding the overall limit of liability contained herein for any one loss.

For the purpose of attachment of coverage for excess layers, it is further agreed that loss involving any interest and/or peril covered in primary or underlying excess layers, but excluded in higher excess layers, shall be recognized by such excess layers as eroding or exhausting the occurrence limits of the primary and/or underlying excess layer(s). Nothing herein, however, shall be deemed to extend coverage in such layers(s) to include loss from the specifically excluded peril in the excess layer(s) itself.

11. OCCURRENCE LIMIT OF LIABILITY:

The Limit of Liability or Amount of Insurance shown on the face of this policy, or endorsed onto this policy, is the total of the Insurer(s) liability applicable to each occurrence, as hereafter defined. Notwithstanding any other terms and conditions of this policy to the contrary, in no event shall the liability of the Insurer(s) exceed this limit or amount irrespective of the number of locations involved.

The term "occurrence" shall mean any one loss, disaster, casualty or series of losses, disasters, or casualties, arising out of one event. When the term applies to loss or series of losses from the perils of tornado, cyclone, hurricane, windstorm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief, one event shall be considered to be all losses arising during a continuous period of 72 hours. 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 any covered property occurs.

The premium for this policy is based upon the Statement of Values on file with the Insurer(s), or attached to this policy. In the event of loss hereunder, liability of the Insurer(s), subject to terms of paragraph one (1) above, shall be limited to the least of the following:

- a. The actual adjusted amount of loss, less applicable deductible(s).
- b. 100% of the individually stated value for each scheduled item of property involved, as shown on the latest statement of Values on file with Insurer(s), less applicable deductible(s).
- c. The Limit of Liability or Amount of Insurance shown on the face of this policy or endorsed onto this policy.

12. PERMISSION FOR EXCESS INSURANCE

Permission is hereby granted to purchase insurance in excess of the amount [Limit of Liability] stated in this policy. Such excess insurance shall not be considered other insurance for the purposes of the "Other Insurance" clause.

EXCESS PHYSICAL DAMAGE FORM
(U.S.A. AND CANADA)