

SERFF Tracking Number: NTAC-125709019 State: Arkansas
Filing Company: Praetorian Insurance Company State Tracking Number: #? \$50
Company Tracking Number: PIC-CIM-AR-SP-F-001
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Arkansas School Property Insurance Program/PIC-CIM-AR-SP-F-001

Filing at a Glance

Company: Praetorian Insurance Company

Product Name: Commercial Property

TOI: 01.0 Property

Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Filing Type: Form

SERFF Tr Num: NTAC-125709019 State: Arkansas

SERFF Status: Closed State Tr Num: #? \$50

Co Tr Num: PIC-CIM-AR-SP-F-001 State Status: Fees verified

Co Status:

Reviewer(s): Betty Montesi,
Llyweyia Rawlins

Author: Jennifer Carr

Disposition Date: 07/01/2008

Date Submitted: 06/30/2008

Disposition Status: Approved

Effective Date Requested (New): 08/01/2008

Effective Date (New): 08/01/2008

Effective Date Requested (Renewal): 08/01/2008

Effective Date (Renewal):
08/01/2008

State Filing Description:

General Information

Project Name: Arkansas School Property Insurance Program

Project Number: PIC-CIM-AR-SP-F-001

Reference Organization: N/A

Reference Title: N/A

Filing Status Changed: 07/01/2008

State Status Changed: 07/01/2008

Corresponding Filing Tracking Number:

Filing Description:

On behalf of Praetorian Insurance Company, we submit for your review this initial form filing for their new Arkansas School Property Insurance Program. This program provides a broad range of property coverages for all Arkansas School Districts, Manual Training and Vocational/Technical Schools, and Colleges and Universities. The Company will use the independent forms shown on the form listing contained in this filing and the currently approved ISO forms. The Company is a subscriber to ISO.

Status of Filing in Domicile: Pending

Domicile Status Comments:

Reference Number: N/A

Advisory Org. Circular: N/A

Deemer Date:

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The Company respectfully requests that the proposed forms be implemented effective August 1, 2008.

Enclosed is authorization for Chandler Insurance Managers, Inc. to submit this filing on behalf of the Company. All correspondence related to this filing should be directed to Chandler Insurance Managers, Inc.

Company and Contact

Filing Contact Information

Jennifer Carr, Rate and Form Analyst jcarr@naico.com
 1010 Manvel Avenue (800) 822-7802 [Phone]
 Chandler, OK 74834 (405) 258-4520[FAX]

Filing Company Information

Praetorian Insurance Company CoCode: 37257 State of Domicile: Illinois
 Wall Street Plaza Group Code: 796 Company Type: Property & Casualty
 88 Pine Street
 New York, NY 10005 Group Name: QBE Specialty Insurance State ID Number:
 (212) 422-1212 ext. [Phone] FEIN Number: 36-3030511

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50.00 each form filing
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Praetorian Insurance Company	\$50.00	06/30/2008	

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CHECK NUMBER	CHECK AMOUNT	CHECK DATE
00188854	\$50.00	06/30/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	07/01/2008	07/01/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	07/01/2008	07/01/2008	Jennifer Carr	07/01/2008	07/01/2008

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Disposition

Disposition Date: 07/01/2008

Effective Date (New): 08/01/2008

Effective Date (Renewal): 08/01/2008

Status: Approved

Comment:

This filing is approved contingent on receiving the filing fees the company indicates in the filing that they have sent.

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Filing Authorization	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Form Listing	Approved	Yes
Form	Common Policy Conditions	Approved	Yes
Form	Common Policy Declarations	Approved	Yes
Form	Forms List	Approved	Yes
Form	Payment Schedule	Approved	Yes
Form	School Building And Personal Property Coverage Form	Approved	Yes
Form	Loss Payable Provisions	Approved	Yes
Form	Exclusion of Loss Due To Virus Or Bacteria	Approved	Yes
Form	School Building and Personal Property Earthquake Endorsement (With Annual Aggregate)	Approved	Yes
Form	School Building and Personal Property Flood Endorsement (With Annual Aggregate)	Approved	Yes
Form	Protector Building and Personal Property Actual Cash Value Limitation Endorsement	Approved	Yes
Form	School Building and Personal Property Functional Building Valuation	Approved	Yes
Form	School Building and Personal Property Scheduled Cash Value Limitation Endorsement - (RC)	Approved	Yes
Form	School Building and Personal Property Scheduled Cash Value Limitation Endorsement - (ACV)	Approved	Yes
Form	School Building and Personal Property Sworn Statement of Values	Approved	Yes
Form	School Building and Personal Property	Approved	Yes

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Coverage Declarations

Form	Loss Settlement Endorsement	Approved	Yes
Form	Multiple Deductible Form (Fixed Dollar Deductibles)	Approved	Yes
Form	Exclusion - Increased Cost of Construction	Approved	Yes
Form	Exclusion - Personal Property In Dwellings	Approved	Yes
Form	Policy Changes - Actual Cash Value	Approved	Yes
Form	Standard Mortgage Clause	Approved	Yes
Form	Building Related Illness Investigation and Remediation	Approved	Yes
Form	Building Related Illness Exclusion of Coverage	Approved	Yes
Form	Policyholder Notice - Building Related Illness Exclusion of Coverage	Approved	Yes
Form	Subsidence Exclusion	Approved	Yes
Form	Policyholder Notice - Subsidence Exclusion	Approved	Yes
Form	Cyber Risk Exclusion	Approved	Yes
Form	Equipment Breakdown Coverage	Approved	Yes
Form	Equipment Breakdown Coverage Election	Approved	Yes
Form	Arkansas Changes - Cancellation And Nonrenewal	Approved	Yes
Form (revised)	Arkansas Changes	Approved	Yes
Form	Arkansas Changes - Appraisal	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 07/01/2008
Submitted Date 07/01/2008
Respond By Date 07/12/2008

Dear Jennifer Carr,

Form: PTPRO-01 School Bldg. and Per. Prop. Coverage, page 11 of 18

The applicable provision of the Arkansas Statute of Limitations of the Arkansas General Code, allows five (5) years in which to commence litigation for this insurance contract. You may amend by extending the time limit to five (5) years or by stating, "within the time allowed by law."

Thank You
Llyweyia Rawlins

Please feel free to contact me if you have questions.

Sincerely,
Llyweyia Rawlins

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/01/2008
Submitted Date 07/01/2008

Dear Llyweyia Rawlins,

Comments:

Response 1

Comments: The Arkansas Changes Endorsement, PTPRO-AR2, has been revised to include language that amends the Legal Action Against Us Condition by extending the time limitation to five (5) years.

Changed Items:

No Supporting Documents changed.

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Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Changes	PTPRO-AR2	6/08	Endorsement/Amendment/Conditions	New			PTPRO-AR2 6-08.pdf
Previous Version							
Arkansas Changes - Appraisal	PTPRO-AR2	6/08	Endorsement/Amendment/Conditions	New			PTPRO-AR2 6-08.pdf

No Rate/Rule Schedule items changed.

Sincerely,
 Jennifer Carr

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Common Policy Conditions	IL 00 17	11/98	Endorsement/Amendment/Conditions			IL0017 11-98.pdf
Approved	Common Policy Declarations	PTIL0019	12/06	Declaration News/Schedule			PTIL0019 12-06.pdf
Approved	Forms List	PTFORML6/07 IST		Declaration News/Schedule			PTFORMLIS T 6-07.pdf
Approved	Payment Schedule	PTPAYSC6/07 HED		Declaration News/Schedule			PTPAYSCH ED 6-07.pdf
Approved	School Building And Personal Property Coverage Form	PTPRO-01	6/08	Policy/Coverage Form			PTPRO-01 6-08.pdf
Approved	Loss Payable Provisions	PTPRO-02	12/06	Endorsement/Amendment/Conditions			PTPRO-02 12-06.pdf
Approved	Exclusion of Loss Due To Virus Or Bacteria	PTPRO-03	12/06	Endorsement/Amendment/Conditions			PTPRO-03 12-06.pdf
Approved	School Building and Personal Property Earthquake Endorsement (With Annual Aggregate)	PTPRO-10	12/06	Endorsement/Amendment/Conditions			PTPRO-10 12-06.pdf
Approved	School Building and Personal Property Flood	PTPRO-11	1/08	Endorsement/Amendment/Conditions			PTPRO-11 1-08.pdf

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Product Name: Commercial Property
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Approval	Endorsement (With Annual Aggregate)	PTPRO-	12/06	Endorsement/Amendment/Conditions	PTPRO-12 12-06.pdf
Approved	Protector Building and Personal Property Actual Cash Value Limitation	12		Endorsement/Amendment/Conditions	
Approved	School Building and Personal Property Functional Building Valuation	13		Endorsement/Amendment/Conditions	PTPRO-13 12-06.pdf
Approved	School Building and Personal Property Scheduled Cash Value Limitation	14		Endorsement/Amendment/Conditions	PTPRO-14 12-06.pdf
Approved	School Building and Personal Property Scheduled Cash Value Limitation Endorsement - (RC)	15		Endorsement/Amendment/Conditions	PTPRO-15 12-06.pdf
Approved	School Building and Personal Property Sworn Statement of Values	16		Endorsement/Amendment/Conditions	PTPRO-16 12-06.pdf
Approved	School Building and Personal Property	17		Declaration New s/Schedule	PTPRO-17 12-06.pdf

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Coverage
 Declarations

Approved	Loss Settlement Endorsement	PTPRO-18	12/06	Endorseme New nt/Amendm ent/Condi ons	PTPRO-18 12-06.pdf
Approved	Multiple Deductible Form (Fixed Dollar Deductibles)	PTPRO-19	12/06	Endorseme New nt/Amendm ent/Condi ons	PTPRO-19 12-06.pdf
Approved	Exclusion - Increased Cost of Construction	PTPRO-21	12/06	Endorseme New nt/Amendm ent/Condi ons	PTPRO-21 12-06.pdf
Approved	Exclusion - Personal Property In Dwellings	PTPRO-22	12/06	Endorseme New nt/Amendm ent/Condi ons	PTPRO-22 12-06.pdf
Approved	Policy Changes - Actual Cash Value	PTPRO-23	12/06	Endorseme New nt/Amendm ent/Condi ons	PTPRO-23 12-06.pdf
Approved	Standard Mortgage Clause	PT127B	12/06	Endorseme New nt/Amendm ent/Condi ons	PT127B 12- 06.pdf
Approved	Building Related Illness Investigation and Remediation	PTCP-01	12/06	Endorseme New nt/Amendm ent/Condi ons	PTCP-01 12- 06.pdf
Approved	Building Related Illness Exclusion of Coverage	PTCP-02	12/06	Endorseme New nt/Amendm ent/Condi ons	PTCP-02 12- 06.pdf
Approved	Policyholder Notice - Building Related Illness	PN PTCP-02	12/06	Disclosure/ New Notice	PN PTCP-02 12-06.pdf

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Exclusion of Coverage

Approved	Subsidence Exclusion	PTCP-04	12/06	Endorsement/Amendment/Conditions	PTCP-04 12-06.pdf
Approved	Policyholder Notice - Subsidence Exclusion	PN-PTCP-04	12/06	Disclosure/ New Notice	PN-PTCP-04 12-06.pdf
Approved	Cyber Risk Exclusion	PTCP-05	12/06	Endorsement/Amendment/Conditions	PTCP-05 12-06.pdf
Approved	Equipment Breakdown Coverage	PTBM0050A	12/06	Endorsement/Amendment/Conditions	PTBM0050A 12-06.pdf
Approved	Equipment Breakdown Coverage Election	PTBM-ELECT	12/06	Election/Rejection/Supplemental Application	PTBM-ELECT 12-06.pdf
Approved	Arkansas Changes - Cancellation And Nonrenewal	PTPRO-AR1	6/08	Endorsement/Amendment/Conditions	PTPRO-AR1 6-08.pdf
Approved	Arkansas Changes	PTPRO-AR2	6/08	Endorsement/Amendment/Conditions	PTPRO-AR2 6-08.pdf

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

PRAETORIAN INSURANCE

COMMON POLICY DECLARATIONS

POLICY NUMBER

RENEWAL OF NUMBER

NAMED INSURED:

Customer #:

SIC:

Other: _____

POLICY PERIOD:

From

To

12:01 A.M. Standard Time at Insured's mailing address.

Business Description:

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

TOTAL _____

Audit Period Is:

Premium shown is payable: \$

at inception: \$

1st Anniversary: \$

2nd Anniversary

Forms and Endorsements applicable to all Coverage Parts: SEE FORMS LIST

Countersigned _____ By _____
(Date) (Authorized Representative)

AGENT:

SUBPRODUCER:

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

PRAETORIAN INSURANCE

FORMS LIST

Named Insured:

Policy Number:

Effective Date of Policy:

We agree with you that the following Endorsements and/or Forms are added to and form a part of this policy:

<u>FORM</u>	<u>EDITION</u>	<u>DESCRIPTION</u>
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PRAETORIAN INSURANCE

PAYMENT SCHEDULE

Named Insured:
Policy Number:
Effective Date of Policy:

WE AGREE WITH YOU THAT THE TOTAL ESTIMATED ANNUAL PREMIUM OF
\$ IS PAYABLE AS FOLLOWS:

PAYMENT PLAN:	<u>PAYMENT DUE</u>	<u>AMOUNT</u>
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PRAETORIAN INSURANCE

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

Throughout this Policy the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Words and phrases that appear in quotation marks have special meaning. Please refer to **SECTION IX - DEFINITIONS** for these meanings.

SECTION I - INSURING AGREEMENTS

A. COVERAGE

Subject to the applicable Limits of Insurance and deductibles, and unless otherwise excluded or limited by the provisions of this Coverage Form or the Commercial Policy Conditions, we will pay for direct physical loss of or damage to Covered Property arising out of an “occurrence.”

B. LIMITS OF INSURANCE

The most we will pay for all loss, damage or costs in any one “occurrence” is the applicable limit of insurance shown in the Declarations.

We will not pay for loss or damage in any one “occurrence” until the amount of loss or damage exceeds the deductible.

C. DAMAGE OR PARTIAL LOSS

In the event of damage or a partial loss, the liability of the company shall not exceed the cost to repair or replace the damaged portion of the building using the most common methods, means, and materials currently utilized in the construction of public buildings, in the general architectural style that existed before the loss or damage occurred.

D. COVERED PROPERTY AND APPLICATION OF LIMITS

Covered Property means the following types of property. The Blanket Limit of Insurance shown in the Declarations applies to this Covered Property unless a scheduled limit, lower limit or reduced amount of insurance is indicated in this

Coverage Form or in the Policy Declarations.

1. Buildings

- a. Buildings or Structures at locations you own or occupy at the inception of this Policy for which a value is indicated for said property in the sworn Statement of Values attached to and forming a part of this policy;
- b. Buildings you newly acquire or construct. However, unless you notify us prior to an “occurrence” that you intend to insure the newly acquired or constructed building under the Blanket Limit of Insurance, the most we will pay for all loss or damage to that newly acquired or constructed building is \$500,000 regardless of its value. You must report to us a newly acquired or constructed building at the time of acquisition or completion of construction for coverage under the Blanket Limit of Insurance. Otherwise, you must report a newly acquired or constructed building at the Policy anniversary or renewal following acquisition or completion of construction for inclusion in next year’s Blanket Limit of Insurance. All coverage for newly acquired or constructed property, not reported for inclusion in the following year’s Blanket Limit of Insurance, will cease at the Policy anniversary or renewal following date of acquisition or completion of construction; and

- c. Portable classrooms wherever located or in transit.

2. Personal Property

- a. Personal Property you own at locations you own, regularly use or occupy at the inception of this Policy;
- b. Personal property of others for which you are legally liable;
- c. Personal property you own located in buildings you newly acquire or construct. However, unless you notify us prior to an “occurrence” that you intend to insure such personal property under the Blanket Limit of Insurance, the most we will pay for loss or damage to the personal property in newly acquired or constructed buildings is \$500,000 regardless of its value. You must report to us personal property in newly acquired or constructed buildings at the time of acquisition or completion of construction for coverage under the Blanket Limit of Insurance. Otherwise, you must report the personal property in newly acquired or constructed buildings at the Policy anniversary or renewal following acquisition or completion of construction for inclusion in next year’s Blanket Limit of Insurance. All coverage for personal property in newly acquired or constructed buildings, not reported for inclusion in the following year’s Blanket Limit of Insurance, will cease at the Policy anniversary or renewal following date of acquisition or completion of construction;
- d. Your personal property in transit or at locations which you do not own, lease, operate or regularly use;
- e. Personal property of students and employees that is located in or on premises you own or occupy. However, we will pay not more than:
 - (1) \$500 for the personal property of any one student; or
 - (2) \$5,000 for the personal property of

any one employee.

The most we will pay for all student and employee personal property damaged or lost in one “occurrence” is \$100,000.

The following Covered Property will be included in the Blanket Limit of Insurance if you have reported a value to us for such Covered Property and such property is shown in the Declarations as included in the Blanket Limit of Insurance. If a specific limit is indicated in the Declarations for the following Covered Property, the property will not be part of the Blanket Limit of Insurance and the limits specified will be in addition to the Blanket Limit of Insurance.

3. “Business Income”

We will pay for the actual loss of “Business Income” you sustain due to the necessary suspension of your “operations” during the “period of restoration” after a loss “occurrence.” The suspension must be caused by direct physical loss of or damage to Covered Property at an insured premises, including personal property in the open, resulting from a covered cause of loss.

If “Business Income” is not included in the Blanket Limit of Insurance and no specific limit is indicated in the Declarations, the most we will pay in any one “occurrence” is \$250,000. This amount will be in addition to the Blanket Limit of Insurance.

4. Extra Expense

We will pay for the Extra Expenses necessary to continue, as nearly as practicable, normal “operations” following a loss “occurrence.” The Extra Expenses you incur must be due to a direct physical loss of or damage to Covered Property at an insured premises, including personal property in the open, resulting from a covered cause of loss.

If Extra Expense is not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one “occurrence” is \$250,000. This amount will be in addition to the Blanket Limit of Insurance.

5. Computer Equipment and Electronic Media

We will pay for loss to your Computer Equipment and Electronic Media. Computer Equipment and Electronic Media owned by others is covered only to the extent of your legal liability for such property. The loss "occurrence" must be due to a covered cause of loss.

As respects the covered Computer Equipment and Electronic Media, the following are added as covered causes of loss:

- a. Sudden and immediate mechanical breakdown of the covered Computer Equipment;
- b. Faulty design, materials and workmanship in the development, manufacture, installation or repair of the covered Computer Equipment but this cause of loss does not apply to Electronic Media;
- c. Short circuit, blowout or other electrical disturbance within the covered Computer Equipment, which results from power failure originating at your premises or within 100 feet from the building containing the Computer Equipment; and
- d. Electrical or magnetic injury to, or disturbance or erasure of covered Electronic Media which results from power failure originating at your premises or within 100 feet from the building containing the Computer Equipment.

If Computer Equipment and Electronic Media are not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$250,000. This amount will be in addition to the Blanket Limit of Insurance.

6. Miscellaneous Property

We will pay for loss to your outdoor fences, radio or television antennas, outdoor signs or machinery used to maintain the building or

premises while at a premises you own or occupy, and other appurtenant structures at locations you own used in connection with your premises and not covered by this or other insurance.

If this miscellaneous property is not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$50,000. This amount will be in addition to the Blanket Limit of Insurance.

7. Inland Marine

a. "Valuable Papers"

We will pay for the costs to research, replace or restore lost information or lost or damaged "Valuable Papers," records or electronic or magnetic media. The loss "occurrence" must be due to a covered cause of loss.

If "Valuable Papers" are not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$100,000. This amount will be in addition to the Blanket Limit of Insurance.

b. Accounts Receivable

We will pay for loss to your records of Accounts Receivable, including:

- (1) All amounts due from your students or agricultural, vocational or other customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payments of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to reestablish your records of Accounts Receivable.

The loss "occurrence" must be due to a

covered cause of loss.

If Accounts Receivable are not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$100,000. This amount will be in addition to the Blanket Limit of Insurance.

c. Fine Arts

We will pay for loss to your Fine Arts or the Fine Arts of others in your care and custody at your premises.

We will also pay for loss or damage to your Fine Arts or the Fine Arts of others in your care and custody while they are on exhibition within the United States of America, Canada or the Commonwealth of Puerto Rico, or in transit to and from such exhibition except as restricted below. Exhibition does not mean:

- (1) At fairgrounds;
- (2) On the premises of any national or international exposition; and
- (3) While in transit:
 - (a) By aircraft; or
 - (b) By ocean going vessel.

The loss "occurrence" must be due to a covered cause of loss.

If Fine Arts are not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$100,000. This amount will be in addition to the Blanket Limit of Insurance.

d. Musical Instruments

We will pay for loss to your musical instruments or the musical instruments of others in your care and custody at your premises.

We will also pay for loss or damage to your musical instruments or the musical instruments of others in your care and custody while they are away from your

premises but within the United States of America, Canada or the Commonwealth of Puerto Rico. However, we will not cover such musical instruments while in transit by:

- (1) Aircraft; or
- (2) Ocean going vessel.

The loss "occurrence" must be due to a covered cause of loss.

If musical instruments are not included in the Blanket Limit of Insurance, and no specific limit is indicated in the Declarations, the most we will pay in any one "occurrence" is \$100,000. This amount will be in addition to the Blanket Limit of Insurance.

E. PROPERTY NOT COVERED

We will not pay for loss or damage to:

1. Accounts, bills, currency, deeds, evidences of debt, stamps, money, notes or securities;
2. The cost of excavations, grading, backfilling or filling;
3. Land (including land on which the property is located), growing crops, lawns, trees, shrubs or landscape planting except as provided and limited under SECTION II - EXTENSIONS OF COVERAGE;
4. Pilings, piers, wharves or docks;
5. Retaining walls that are not part of buildings you own;
6. Underground tanks, pipes, flues or drains;
7. If the building where loss or damage occurs has been "vacant" for more than 60 consecutive days before that loss or damage, we will:
 - a. Not pay for any loss or damage caused by any of the following even if they are covered causes of loss:
 - (1) Vandalism;
 - (2) Sprinkler leakage, unless you have protected the system against freezing;

- (3) Building glass breakage;
 - (4) Water damage;
 - (5) Theft, or
 - (6) Attempted theft.
- b. Reduce the amount we would otherwise pay for the loss or damage by 15%.
- 8. Watercraft over 26 feet in length, "Automobiles" or aircraft;
 - 9. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
 - 10. "Valuable papers" except as provided under D. COVERED PROPERTY AND APPLICATION OF LIMITS, Paragraph 7.a.; and
 - 11. That portion of a nonowned building that you occupy that must be repaired due to damage from theft, or attempted theft, except as provided under SECTION II - EXTENSIONS OF COVERAGE.
 - 12. Animals, birds or fish, including any embryo, organs and other body tissue or skeletal structures, semen or eggs, in all stages of preservation or growth, except as provided under SECTION II - EXTENSIONS OF COVERAGE.

SECTION II - EXTENSIONS OF COVERAGE

Each of the Limits of Liability specified for the following Extensions of Coverage is an additional amount of insurance subject to the deductible and limitations of this Policy. Our liability for loss or damage under these Extensions of Coverage will be limited to the loss or damage due to a covered cause of loss.

When, in accordance with the Other Insurance condition of this Policy, there is contributing insurance, we will not be liable for more than our pro rata share of the limits set forth in the following Extensions of Coverage:

A. Trees, Shrubs and Landscape Planting

Up to \$25,000 of the insurance may be used to

cover trees, shrubs and plants against DIRECT LOSS in any one OCCURRENCE by the perils of fire, lightning, explosion, riot, civil commotion or aircraft. The Company shall not be liable for more than \$1,000 for any one tree, shrub or plant, including expense for removing debris thereof.

B. Preservation of Property

We will pay up to \$100,000 in any one "occurrence" for the cost to preserve Covered Property from continuing or repeated loss or damage.

C. Repair of Theft Damage to Non-Owned Buildings

We will pay up to \$50,000 in any one "occurrence" for the cost to repair damages to that part of a building which you occupy but do not own, if:

- 1. The damages resulted directly from theft, and
- 2. You assume responsibility for such damages under lease agreement.

D. Taking Inventory After an "Occurrence"

We will pay up to \$10,000 in any one "occurrence" for the cost of taking an inventory of the damaged or lost property, if we request you to obtain an inventory in order to determine the amount of loss.

E. Debris Removal

- 1. We will pay your expense to remove debris of Covered Property caused by or resulting from a covered cause of loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- 2. The most we will pay under this Coverage Extension is 25% of:
 - a. The amount we pay for the direct physical loss of or damage to Covered Property; plus
 - b. The deductible in this policy applicable to that loss or damage.
- 3. This Coverage Extension does not apply to costs to:

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

If the sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance, we will pay up to an additional \$5,000 for each location in any one occurrence under this Debris Removal Extension of Coverage.

F. Demolition

We will pay the cost to demolish and reconstruct the undamaged portion of a building if, at the time of the “occurrence.”

- a. The enforcement of any federal, state or municipal law specifically necessitates such demolition; and
- b. The Blanket Limit of Insurance applies to the damaged building.

In no event shall this insurance apply to any cost resulting from demolition necessitated by the enforcement of any law or governmental directive which regulates the use, removal or presence of asbestos material.

This extension of coverage does not apply to increased costs caused by the enforcement of any ordinance, law or code requiring the cleanup, repair or removal of “pollutants,” contaminants, asbestos or other hazardous substances.

In applying the terms of this extension of coverage, building means the specific building damaged and does not include adjoining or contiguous buildings connected by common roofs or passageways. Demolition includes removal of contents and site clearance.

G. “Increased Cost of Construction”

We will pay up to \$1,000,000 for “increased cost of construction” if:

- a. The damaged or destroyed building is actually rebuilt or repaired for the same type of use with a building of like height, floor area and style; and
- b. Repair or rebuilding is completed within 3 years of direct physical loss “occurrence.”

In applying the terms of this extension of

coverage, building means the specific building damaged and does not include adjoining or contiguous buildings that may be connected by common roofs or passageways.

This extension of coverage does not apply to increased costs caused by the enforcement of any ordinance, law or code requiring the cleanup, repair or removal of “pollutants,” contaminants, asbestos or other hazardous substances.

H. Food Spoilage

We will pay up to \$10,000 in any one “occurrence” for food which is rendered unfit for human consumption because of the ruin of such food due to a covered cause of loss. Covered causes of loss as respects food spoilage includes power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, due to conditions beyond your control. We will not pay for any loss or damage if you fail to use reasonable care to maintain all heating, cooling or humidity control equipment in proper operating condition.

I. Harvested Crops

We will pay up to \$10,000 in any one “occurrence” for loss to grain, hay, straw or other crops which have been harvested and are stored inside your buildings or in the open on the premises. The loss to the grain, hay, straw or other crops must be due to a covered cause of loss.

J. Animals

We will pay up to \$1,500 for any one animal and \$5,000 for all animals lost in any one “occurrence.” The animals must be on your premises, either inside or outside of your buildings and are:

- a. Owned by others and boarded by you; or
- b. Owned by you as stock or for use as part of an agricultural, vocational or equestrian program.

This extension applies only to loss or damage caused by or resulting from a covered cause of loss; building glass breakage, theft, collision or overturn of a transporting vehicle, electrocution, attack by dogs or wild animals, accidental shooting or drowning.

Coverage applies only if the animal is killed or its destruction is made necessary.

Poultry is covered only while inside of buildings.

K. Collapse

1. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building insured under this Coverage Form, if the collapse is caused by one or more of the following:

- a. The “specified causes of loss” or breakage of building glass, all only as insured against in this Coverage Part;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in **K.1.(a)** through **K.1.(e)**, we will pay for the loss or damage even if use of defective materials or methods, in construction, remodeling or renovation, contributes to the collapse.

2. If the direct physical loss or damage does not involve collapse of a building or any part of a building, we will pay for loss or damage to Covered Property caused by the collapse of personal property only if:

- a. The personal property which collapses is inside a building; and
- b. The collapse was caused by a cause of loss listed in **K.1.(a)** through **K.1.(f)** above.

3. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-

in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

If the collapse is caused by a cause of loss listed in **K.1.(b)** through **K.1.(f)**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

4. Collapse does not include settling, cracking, shrinkage, bulging or expansion.

This Extension of coverage will not increase the Limits of Insurance provided in this Coverage Part.

L. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance.
- c. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

No Deductible applies to this Additional Coverage.

M. Pollutant Clean Up and Removal

We will pay your expense to extract “pollutants”

from the land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which Covered Cause of Loss occurs.

The Coverage Extension does not apply to costs to test for, monitor or assess the existence, concentration or effects of “pollutants.” But we will pay for testing which is performed in the course of extracting the “pollutants” from the land or water.

The most we will pay under this Coverage Extension for each described premises is \$25,000 for the sum of all covered expenses arising out of a Covered Cause of Loss occurring during each separate 12 month period of this policy.

SECTION III - LIMITATIONS TO COVERED PROPERTY

Except as limited herein, we will not pay for loss of or damage to:

- A.** Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the combustion chamber or firebox of any fired vessel, or within the flues or passages through which the gases of combustion pass.
- B.** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the combustion chamber or firebox of any fired vessel, or within the flues or passages through which the gases of combustion pass.
- C.** The interior of any building or structure caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - 1.** The building or structure first sustains damage by a covered cause of loss to its roof

or walls and the rain, snow, sleet, ice, sand or dust enters the interior through the damaged roof or walls; or

- 2.** The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- 3.** The loss or damage is caused by or results from the direct negligence of a contractor working on or repairing the exterior of the building.
- D.** Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
- E.** Bridges, roadways, walks, patios or other paved surfaces caused by freezing and thawing.
- F.** Building materials and supplies not attached as a part of the building or structure caused by or resulting from theft.
- G.** Property that is missing where there is no physical evidence to show what happened to it, such as shortage disclosed on taking inventory.
- H.** Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

SECTION IV - COVERED CAUSES OF LOSS

Covered causes of loss, as used in this Policy, means risk of direct physical loss unless the loss is:

- A.** Excluded in this Coverage Form or the Commercial Property Conditions or the Common Policy Conditions; or
- B.** Limited in this Coverage Form or the Commercial Property Conditions or the Common Policy Conditions.

SECTION V - EXCLUDED RISKS OF DIRECT PHYSICAL LOSS

- A.** We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. Building Ordinance or Law Enforcement

Except as provided under SECTION II - EXTENSIONS OF COVERAGE, we will

not pay for the enforcement of any building, zoning, or land use ordinance or law:

- a. Regulating the construction, use or repair of any property or establishing zoning or land use requirements at any premises;
- b. Requiring the tearing down of any property, including the cost of removing its debris; or
- c. Requiring clean up, repair or removal of "pollutants," contaminants, asbestos or other hazardous substances.

2. Earth Movement

We will not pay for any loss or damage caused by or aggravated by:

- a. Any earth movement (other than sinkhole collapse), such as earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if loss or damage by explosion or sprinkler leakage results, we will pay for that resulting loss or damage.
- b. Volcanic eruption, explosion or effusion. But if loss or damage by sprinkler leakage, building glass breakage, theft or volcanic action results, we will pay for that resulting loss or damage.

Volcanic eruption means the eruption, explosion or effusion of a volcano.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

3. Governmental Action

Seizure or destruction of property by order of a governmental authority.

But we will pay for acts of destruction

ordered by the governmental authority and taken at the time of a fire to prevent its spread.

4. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

5. Power Failure

The failure of electrical power or other utility service supplied to premises you own or occupy, however caused, if the failure occurs away from those premises.

But if loss or damage is the result of an "occurrence," we will pay for that resulting loss or damage.

6. War and Military Action

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

7. Water

We will not pay for any loss or damage caused by or aggravated by:

- a. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
- b. Mudslide or mudflow.
- c. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors, or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings.
 - (4) Sewer backup caused by flood, surface water, waves, tides, tidal

waves, overflow of any body of water, or their spray, all whether driven by wind or not.

But if Water, as described in 7. (a) through 7. (c) above, results in explosion or sprinkler leakage, we will pay for the loss or damage caused by the fire, explosion or sprinkler leakage.

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

1. Artificially generated electric current including electric arcing that disturbs electrical devices, appliances or wires.
2. Delay, loss of use or loss of market.
3. Smoke, vapor or gas from agricultural smudging or industrial operations;
4. Wear and tear and gradual deterioration;
5. Rust, corrosion, fungus, decay, hidden or latent defect, shrinkage, weight loss, evaporation, or any quality in property that causes it to damage or destroy itself;
6. Smog;
7. Settling, cracking, shrinking, bulging or expansion of pavements, foundations, walls, floors, roofs or ceiling;
8. Nesting or infestation, discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
9. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
10. The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in, or extremes of, temperature; or
 - (c) Marring or scratching.

But if loss or damage by covered causes of loss or building glass breakage results, we will pay for that resulting loss or damage.

11. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned, leased or operated by you, or operated under your control.

But if loss or damage by combustion explosion results, we will pay for that resulting loss or damage. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the products of combustion pass.

12. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.

13. Water, other liquid, powder or molten materials that leak or flow from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- (a) You do your best to maintain heat in the building or structure; or
- (b) You drain the equipment and shut off the supply if the heat is not maintained.

14. A dishonest or criminal act by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

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

This exclusion does not apply to acts of destruction by your employees, but theft by employees is not covered.

15. Voluntary parting with any property by you or anyone else to whom you have entrusted the property due to the acceptance of counterfeit currency, or checks or promissory notes that are not paid upon presentation.

16. Rain, snow, ice or sleet to personal property in the open.

17. Collapse, except as provided below in the Additional Coverage for Collapse. But if

collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

18. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss."

C. We will not pay for loss or damage caused by or resulting from any part of the following. But if loss or damage by an "occurrence" results, we will pay for that resulting loss or damage.

1. Weather conditions, but this exclusion only applies if weather conditions contribute in any way with an excluded cause of loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - (a) Planning, zoning, development, surveying or siting;
 - (b) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading or compaction;
 - (c) Materials used in repair, construction, renovation or remodeling; or
 - (d) Maintenance of part or all of any property on or off the described premises.

SECTION VI - PROPERTY CONDITIONS

The following conditions apply to this Coverage Part, in addition to the Common Policy Conditions.

A. REPORTING OF VALUES TO THE COMPANY

At each policy anniversary, you agree to furnish us with a schedule of all locations to be insured and the 100% replacement cost value of all property to be insured.

B. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

C. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breached condition does not exist.

D. INSURANCE UNDER TWO OR MORE COVERAGES

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

E. LEGAL ACTION AGAINST US

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

1. There has been full compliance with all the terms of this Policy; and
2. The action is brought within two (2) years after the date on which the direct physical loss or damage occurred.

F. LIBERALIZATION

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

G. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit

from this insurance.

H. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part, if you do, we will pay our share of the covered loss or damage. Our share of the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

I. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - (a) During the policy period shown in the Declarations; and
 - (b) Within the coverage territory.
2. The coverage territories:
 - (a) The United States of America (including its territories and possessions);
 - (b) Puerto Rico; and
 - (c) Canada.

J. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or

Covered income.

2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - (a) Someone insured by this insurance;
 - (b) A business firm;
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - (3) Your tenant.

This will not restrict your insurance.

SECTION VII - LOSS CONDITIONS

The following conditions apply in addition to the Commercial Property Conditions and the Common Policy Conditions.

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within twenty (20) days of such demand. The two appraisers will select an umpire. If they cannot agree, after fifteen (15) days either may request that selection be made by a judge of a district court having jurisdiction. The appraisers shall then appraise the loss, stating separately the value of the property and amount of loss to each item. If they fail to agree, they will submit only their differences to the umpire. An award in writing, agreed by any two of them when filed with the Company shall determine the amount of loss.

Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties at Time of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage including a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses, for emergency and temporary repairs, and for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
5. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
8. Cooperate with us in the investigation or settlement of the claim.

We may examine any insured under oath, while not in the presence of any other insured and at such a time as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

D. Loss Payment

1. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

- (a) Pay the value of lost or damaged property;
- (b) Pay the cost of repairing or replacing the lost or damaged property using the most common methods, means and materials currently utilized in the construction of public buildings, in the general architectural style that existed before the loss or damage occurred;
- (c) Take all or any part of the property at an agreed or appraised value; or
- (d) Repair, rebuild or replace the property using the most common methods, means and materials currently utilized in the construction of public buildings, in the general architectural style that existed before the loss or damage occurred.

The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

But we will not pay more than the Limit of Insurance.

2. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
3. We will not pay you more than your financial interest in the Covered Property.
4. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:

- (a) You have complied with all terms of this Coverage Part; and
- (b) (i) We have reached agreement with you on the amount of loss; or
- (ii) An appraisal award has been made.

SECTION VIII - OTHER POLICY CONDITIONS

A. EXCESS INSURANCE

You may carry non-contributing excess insurance without reduction of the applicable Limit of Insurance under this Policy.

B. RECOVERY

You agree not to settle any claim resulting from a covered cause of loss without our consent. If either you or we recover any money or property after loss settlement, the amount recovered will be distributed as follows:

1. To the expenses for recovery;
2. Then between you and us in proportion to the amounts we paid in settlement and your deductible;
3. Then to you, after we are reimbursed for our settlement and you are reimbursed your deductible.

Recoveries do not include amounts received:

1. From insurance suretyship, reinsurance, security or indemnity taken for our benefit; or
2. Of original "securities" after duplicates of them have been issued.

C. VALUATION

Covered Property will be valued on the following basis:

We will determine the value of all Covered Property at replacement cost at the time and place of loss, except as more specifically described in Paragraphs 1. through 9. Immediately below. Replacement cost means that the repair or replacement will be made using the most common methods, means and materials currently utilized in the construction of public buildings, in the general architectural style that existed before the loss or damage occurred. We will not pay

more for loss on a replacement cost basis than the least of:

- a. As respects buildings:
 - (1) The applicable amount of insurance;
 - (2) The amount which would be required to rebuild, repair or replace the building if it were on the same site, for the same occupancy and of like height, floor area and style; or
 - (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.
- b. As respects personal property:
 - (1) The applicable amount of insurance or
 - (2) The cost to replace with like, kind, quality and function.
- c. As respects glass, the cost of replacement with safety glazing material if required by law.

You may make a claim for the loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have the loss settled on an actual cash value basis, you may still make a claim for the replacement cost if you notify us of your intent to do so within 180 days of the loss "occurrence."

You must tell us within 180 days after the loss of your intent to repair or replace the damaged property. Property not repaired or replaced within 3 years after the date of loss shall be valued at the actual cash value on the date of loss.

We will not pay on a replacement basis for any loss or damage:

- (a) Until the lost or damaged property is actually repaired or replaced; and
- (b) Unless the repairs or replacement are made within 3 years after the loss or damage.

We will not pay for "Increased Cost of Construction" except as provided

in SECTION II - EXTENSIONS OF
COVERAGE.

1. Tenants' Improvement and Betterments

- a. If repaired or replaced at your expense within a reasonable time after the loss, the replacement value of the damaged or destroyed improvements and betterments.
- b. If not repaired or replaced within a reasonable time after the loss, that portion of the original cost at the time of installation of the damaged or destroyed improvements and betterments which the unexpired term of the lease or rental agreement, whether written or oral, in effect at the time of loss bears to the periods from the date such improvements of betterments were made to the expiration date of the lease. If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration date of the lease in this calculation.
- c. If repaired or replaced at the expense of others for your use, there shall be no liability under this Policy.

2. "Business Income"

We will determine the amount of "Business Income" loss based on:

- a. Your Net Income before the loss or damage to Covered Property by the "occurrence";
- b. Your likely Net Income if no loss or damage had occurred;
- c. The operating expense, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- d. Other relevant sources of information, including:
 - (1) Your financial records and accounting procedures;
 - (2) Bills, invoices and other vouchers; and

(3) Deeds, liens or contracts.

We will reduce the amount of your "Business Income" loss to the extent you can resume your "operations," in whole or in part, by using damaged or undamaged property at the described premises or elsewhere.

If you do not resume "operations," or do not resume "operations" as quickly as possible, we pay based on the length of time it would have taken to resume "operations" as quickly as possible.

3. Extra Expense

We will determine the amount of Extra Expense loss based on all expenses that exceed the normal operation expenses that would have been incurred by your operations, if no direct physical loss or damage had occurred, during the period:

- a. Beginning with the date of the loss "occurrence"; and
- b. Ending on the date when the property should be rebuilt, repaired or replaced with reasonable speed using property of like, kind, quality or function.

We will reduce the amount of your Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

4. "Valuable Papers" and Electronic Media

"Valuable Papers" and records, including those which exist on electronic or magnetic media (other than prepackaged software programs) will be valued at the cost of:

- a. Blank Materials for reproducing the papers or records; and
- b. The cost to transcribe or copy the papers or records.

5. Accounts Receivable

If you are unable to accurately establish the amount of your Accounts Receivable outstanding as of the time of the loss "occurrence," the following method will be used:

- a. Determine the average monthly amount of Accounts Receivable for the twelve (12) months immediately preceding the month in which the loss occurred; and
- b. Adjust the average for any normal fluctuations in the amount of Accounts Receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of Accounts Receivable:

- (1) The amount of the Accounts Receivable for which there is no loss;
- (2) The amount of the Accounts Receivable that you are able to reestablish or collect;
- (3) An amount to allow for probably bad debts that you are normally unable to collect; and
- (4) All unearned interest and service charges.

6. Computer Equipment

Computer Equipment will be valued at the cost to replace the equipment with equipment of like, kind, quality and function.

7. Fine Arts

Fine Arts will be valued at their appraised value prior to the loss or damage. If no appraisal has been made prior to the loss "occurrence," the value shall be the cost to make replicas of the lost Fine Arts.

8. Musical Instruments

Musical instruments will be valued at the cost to replace the instruments with instruments of like, kind and quality.

9. Miscellaneous Property or Property of Others

We will determine the value of miscellaneous property or property of others at actual cash value as of the time of loss or damage.

SECTION IX - DEFINITIONS

- A. "Automobile" means a land motor vehicle, trailer or semitrailer subject to motor vehicle

registration.

- B. "Business Income" means:

- 1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; including but not limited to income from:
 - (a) "Rental Value";
 - (b) Tuition;
 - (c) Laboratory fees;
 - (d) Bookstores;
 - (e) Athletic events;
 - (f) Research grants; and
- 2. Continuing normal operating expenses, including payroll.

- C. "Increased Cost of Construction" means the increased costs to repair, rebuild or reconstruct the damaged or destroyed building caused by the enforcement of:

- 1. Any building, zoning or land use ordinance or law;
- 2. Any ordinance, law or code regulating the construction, use or repair of buildings, or establishing zoning or land use requirements at the described premises; or
- 3. Any ordinance, law or code requiring the clean up, repair or removal of "pollutants," contaminants, asbestos or other hazardous substances; provided any such ordinance, law or code was in effect at the time and place of the "occurrence."

- D. "Occurrence" means a single covered cause of loss as described in SECTION IV - COVERED CAUSES OF LOSS, subject to any applicable exclusions, conditions and limitations which occurs during the Policy period and results, from your standpoint, in unintended direct physical loss or damage to Covered Property.

As respects windstorm, hail, riot or civil commotion, an "occurrence" includes all loss or damage occurring or commencing during a period of 72 consecutive hours. When filing proof of loss, you may decide when this period begins.

As respects freezing, an “occurrence” includes all loss or damage occurring or commencing during a period of 168 consecutive hours. When filing proof of loss, you may decide when this period begins.

E. “Operations” means your school and school related business activities; and as respects “Rental Value,” the tenantability of the described premises.

F. “Period of Restoration” means the period of time that:

1. Begins with the date of direct physical loss or damage caused by or resulting from an “occurrence” at the described premises; and
2. Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

“Period of Restoration” does not include any increased time required due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property; or
- b. Requires any insured, or others, to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of “pollutants.”

The expiration date of this Policy will not cut short the “period of restoration.”

G. “Pollutants” means any solid, liquid, gaseous or thermal irritant, contaminant, corrosive or toxic substance, including smoke vapors, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

H. “Rental Value” means the :

- a. Total anticipated rental income from the tenant occupancy of the described premises as furnished and equipped by you;
- b. Amount of all changes which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
- c. Fair “rental value” of any portion of the described premises which is occupied by

you.

I. “Specified Causes of Loss” means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

1. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

2. Falling objects does not include loss or damage to:

- (a) Personal property in the open; or
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

3. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

J. “Vacant” means any building that:

1. Does not contain enough contents to conduct customary operations;
2. Has no substantial contents pertaining to **your** operations or activities;
3. Has no portion occupied or in use; or
4. Has no other building on the same premises which is being occupied or is in operation.

A building in the course of construction will not be considered “vacant.”

K. “Valuable Papers” means books of account, manuscripts, abstracts, drawings, card index systems, film, tape, disc, drum, cell or other data

processing, recording or storage media and other records.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Prem. No.	Bldg. No.	Description of Property	Loss Payee (Name & Address)	SCHEDULE		
				Provisions Applicable		
				Loss Payable	Lender's Loss Payable	Contract Of Sale

The following is added to the LOSS PAYMENT Loss Condition, as indicated in the Declarations or by an "X" in the Schedule:

A. LOSS PAYABLE

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

B. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
 - a. Warehouse receipts;
 - b. A contract for deed;
 - c. Bills of lading;
 - d. Financing statements; or

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- e. Mortgages, deeds of trust, or security agreements.
2. For Covered Property in which both you and a Loss Payee have an insurable interest:
- a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
 - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
 - c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and

- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

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

C. CONTRACT OF SALE

- 1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
- 2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
 - a. Adjust losses with you; and
 - b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- 3. The following is added to the OTHER INSURANCE Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** 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.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion in Paragraph **B.** supersedes any other exclusion relating to "pollutants".
- D.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL BUILDING AND PERSONAL PROPERTY EARTHQUAKE ENDORSEMENT (WITH ANNUAL AGGREGATE)

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

EARTHQUAKE ENDORSEMENT SCHEDULE

Earthquake Occurrence Limit	\$ _____
Earthquake Aggregate Limit	\$ [Same as Earthquake Occurrence Limit]
Earthquake Deductible Per Occurrence	\$ _____

SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS, Paragraph A.2. Earth Movement is deleted in its entirety and replaced with the following:

A. EARTHQUAKE LIMIT OF INSURANCE

The most we will pay for loss or damage in any one occurrence from “Earthquake” and/or “Volcanic Eruption” is as scheduled for Earthquake Occurrence Limit above. There is no reinstatement of this limit; the scheduled limit is the most we will pay in the aggregate for all “Earthquake” and/or “Volcanic Eruption” occurrences to covered property during the policy period.

B. EARTHQUAKE DEDUCTIBLE

We will not pay for loss or damage in any one occurrence from “Earthquake” and/or “Volcanic Eruption” until the amount of loss or damage exceeds the scheduled Earthquake Deductible above.

C. DEFINITIONS

1. “Earthquake” means any earth movement such as earthquake, landslide, mine subsidence or earth sinking, rising or shifting.
2. “Volcanic Eruption” means the eruption, explosion or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168 hour period will constitute a single “Earthquake” or “Volcanic Eruption”. The expiration of this policy will not reduce the 168 hour period.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL BUILDING AND PERSONAL PROPERTY FLOOD ENDORSEMENT (WITH ANNUAL AGGREGATE)

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

FLOOD ENDORSEMENT SCHEDULE

Flood Occurrence Limit	\$ _____
Flood Aggregate Limit	\$ [Same as Flood Occurrence Limit]
Flood Deductible Per Occurrence	\$ _____

SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS, Paragraph A.7. “Water” is deleted in its entirety and replaced with the following:

A. FLOOD LIMIT OF INSURANCE

The most we will pay for loss or damage caused by or aggravated by from “Flood” is as scheduled in the Flood Occurrence Limit above. There is no reinstatement of this limit; it is the most we will pay in the aggregate for all “Flood” occurrences to covered property during the policy period.

B. FLOOD DEDUCTIBLE

We will not pay for loss or damage until the amount of loss or damage exceeds the scheduled Flood Deductible. The Insured may buy back this retention by purchasing National Flood Insurance.

C. SEEPAGE EXCLUSION

This Policy and Flood Endorsement will not pay for any loss or damage caused by or aggravated by:

Water under the ground surface pressing on or flowing or seeping through:

1. Foundations, walls, floors or paved surfaces;
2. Basements, whether paved or not; or
3. Doors, windows or other openings.

D. SPECIFIC FLOOD ZONE EXCLUSION

This flood coverage endorsement is quoted and issued based upon the location of the insured property within approved flood zones. **The Insured understands and agrees that no flood coverage will exist pursuant to this Endorsement for loss or damage to property which is located within Zones A, AE, and A1-A30, AH, AO, AR, A99, B, D, V, VE and V1-V30, and Shaded X Zones; as defined by NFIP (National Flood Insurance Program).**

E. DEFINITIONS

“Flood” means:

1. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
2. Mudslide or mudflow; or
3. Sewer backup caused by flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

CAUTION: The Insured should review insured property locations and applicable flood zones to allow for the purchase of any additional coverage needs through the National Flood Insurance Program.

PRAETORIAN INSURANCE

PROTECTOR BUILDING AND PERSONAL PROPERTY ACTUAL CASH VALUE LIMITATION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY

EFFECTIVE DATE:

This Endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

As respects the structures below, whenever the term VALUE appears in this policy it shall represent the actual cash value.

SCHEDULE

Building
Number

Description

Limit of Liability

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL BUILDING AND PERSONAL PROPERTY FUNCTIONAL BUILDING VALUATION

POLICY

EFFECTIVE DATE

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

1. The Limit of Liability shown in the Schedule below is the only Limit of Liability applicable to the Building described in the Schedule below.
2. If you contract for repair or replacement of the loss or damage to restore the Building shown in the Schedule for the same occupancy and use, within 180 days of the damage unless we and you otherwise agree, we will pay the smallest of the following:
 - a. The Limit of Insurance shown in the Schedule below as applicable to the damaged BUILDING:
 - b. (1) In the event of a total loss, the cost to replace the damaged BUILDING on the same site, with a less costly BUILDING that is functionally equivalent to the damaged BUILDING; or
(2) In the event of a partial loss, the cost to repair or replace the damaged portion of the BUILDING with less costly material, if available, in the architectural style that existed before the loss or damage occurred; or
 - c. The amount you actually spend that is necessary to repair or replace the lost or damaged BUILDING with less costly material if available.
3. If you do not make a claim under Paragraph 2. above, we will pay the smallest of the following:
 - a. The Limit of Liability shown in the Schedule as applicable to the damaged BUILDING;
 - b. The "market value" of the damaged BUILDING, exclusive of the land value, at the time of loss; or
 - c. The amount it would cost to repair or replace the damaged BUILDING on the same site, with less costly material in the architectural style that existed before the damage occurred, less allowance for physical deterioration and depreciation.

4. Ordinance or Law Coverage

A. Coverage

- (1) Coverage A – Coverage For Loss to the Undamaged Portion of the BUILDING.

If a Covered Cause of Loss occurs to the BUILDING shown in the Schedule, subject to all other provisions of this Endorsement, we will pay for loss to the undamaged portion of the BUILDING caused by enforcement of any ordinance or law that:

- (a) Requires the demolition of parts of the same BUILDING not damaged by a Covered Cause of Loss;

- (b) Regulates the construction or repair of BUILDINGS, or establishes zoning or land use requirements at the described premises; and
- (c) Is in force at the time of loss.

(2) Coverage B – Demolition Cost Coverage.

If a Covered Cause of Loss occurs to the BUILDING shown in the Schedule, subject to all other provisions of this Endorsement, we will pay the cost to demolish and clear the site of undamaged parts of the BUILDING caused by enforcement of building, zoning or land use ordinance or law.

(3) Coverage C – Increased Cost of Construction Coverage.

If a Covered Cause of Loss occurs to the BUILDING shown in the Schedule, subject to all other provisions of this Endorsement, we will pay the increased cost to repair, rebuild or construct the BUILDING caused by enforcement of building, zoning or land use ordinance or law. If the BUILDING is repaired or rebuilt, it must be intended for similar occupancy as the current BUILDING, unless otherwise required by zoning or land use ordinance or law.

- B. We will not pay under this Endorsement for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.
- C. If the BUILDING is repaired or replaced on the same or another premises, we will not pay more than the lessor of:

(1) The amount you actually spend to:

- (a) Demolish and clear the site; and
- (b) Repair, rebuild or construct the BUILDING. However, this amount cannot be more than the cost to construct a new BUILDING that is functionally equivalent to the damaged BUILDING; or

(2) For all loss in any occurrence, the Limit of Liability applicable to the covered BUILDING.

5. The following DEFINITION is added:

“**Market Value**”, as used in this Endorsement, means the price which the property might be expected to realize if offered for sale in a fair market.

SCHEDULE

<u>Building Number</u>	<u>Description</u>	<u>Limit of Liability</u>
------------------------	--------------------	---------------------------

Signature of Superintendent

School Name

Date

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL BUILDING AND PERSONAL PROPERTY SCHEDULED CASH VALUE LIMITATION ENDORSEMENT – (RC)

POLICY

EFFECTIVE DATE:

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

As respects the structures below, whenever the term VALUE appears in this policy it shall mean the Company's liability for loss under this policy including this Endorsement shall not exceed the smallest of the following amounts A. or B.

- A. The cost to repair or replace the damaged portion of the building using the most common methods, means and materials currently utilized in the construction of buildings for public buildings, in the general architectural style that existed before the loss or damage occurred; or
- B. The agreed amount set forth below as applicable to the structure(s);

whichever is less.

PROPERTY DESCRIPTION AND SCHEDULED VALUE

APPLICABLE TO EACH ITEM

SCHEDULE

Building Number

Description

Limit of Liability

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHOOL BUILDING AND PERSONAL PROPERTY SCHEDULED CASH VALUE LIMITATION ENDORSEMENT – (ACV)

POLICY

EFFECTIVE DATE:

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

As respects the structures below, whenever the term VALUE appears in this policy it shall mean the Company's liability for loss under this policy including this Endorsement shall not exceed the smallest of the following amounts A., B., or C.

- A. The ACTUAL CASH VALUE of the damaged structure;
- B. The cost to repair or replace the damaged portion of the building using the most common methods, means and materials currently utilized in the construction of buildings for public buildings, in the general architectural style that existed before the loss or damage occurred; or
- C. The agreed amount set forth below as applicable to the structure(s);

whichever is less.

PROPERTY DESCRIPTION AND SCHEDULED VALUE

APPLICABLE TO EACH ITEM

SCHEDULE

Building Number

Description

Limit of Liability

PRAETORIAN INSURANCE

SCHOOL BUILDING AND PERSONAL PROPERTY SWORN STATEMENT OF VALUES

INSURED NAME:

POLICY:

EFFECTIVE DATE:

ITEM NO.	DESCRIPTION AND LOCATION OF PROPERTY Specify – Building, Personal Property, Auxiliary Structures	ACTUAL CASH VALUE	REPLACEMENT COST VALUE
	<p><u>NOTE: All locations and property for which coverage is provided must be listed.</u></p>		

INSTRUCTIONS

1. The VALUES shown must be Actual Cash Values (100%) or Replacement Cost Values (100%) and should reflect the basis of coverage for each item.
2. The VALUES shall be submitted to the COMPANY and subject to its acceptance.
3. Nothing contained in these instructions shall be construed as changing in any manner the conditions of the policy.

SCHOOL BUILDING AND PERSONAL PROPERTY SWORN STATEMENT OF VALUES

POLICY:

EFFECTIVE DATE:

ITEM NO.	DESCRIPTION AND LOCATION OF PROPERTY Specify – Building, Personal Property, Auxiliary Structures	ACTUAL CASH VALUE	REPLACEMENT COST VALUE
	TOTAL BLANKET BUILDINGS _____		
	TOTAL BLANKET CONTENTS _____		
	TOTAL BLANKET LIMIT _____		
	BUILDINGS SUBJECT TO SCHEDULED VALUE _____		
	BUILDINGS SUBJECT TO FUNCTIONAL REPLACEMENT _____		
	TOTAL LIMIT _____		

TO WHOM IT MAY CONCERN:

VALUES for this "Statement of Values" consisting of _____ pages attached hereto were prepared for:

NAMED INSURED

Name of person (with title) or Corporation preparing Values

Street Address _____ City _____ State _____

and are hereby files with the COMPANY as shown on Page 1 of this Statement of Values form.

All Values submitted are correct to the best of my knowledge and belief.

Signed _____

Title _____

Date _____

* Indicates Functional Replacement Cost Coverage as defined endorsement applies.

**Indicates Scheduled Value Coverage as defined endorsement applies.

PRAETORIAN INSURANCE

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE DECLARATIONS

Effective Date:

Policy No.

Name of Insured:

1. *Coverage Basis:*

Limit of Insurance

Scheduled Limits

Blanket Limit

2. *Schedule of Limits and Deductibles:*

Limits

Deductibles

Buildings

Business and Personal Property

Insurance is only provided for the coverages indicated by an X and for which an amount is shown or included as indicated.

Limits

Deductibles

Business Income

Extra Expense

Valuable Papers

Accounts Receivable

Computer Equipment and Electronic Media

Fine Arts

Musical Instruments

Miscellaneous Property

Premium:

Insurance is only provided for the coverages indicated by an X and for which an amount is shown.

3. *Mortgage Holder:*

Name:

Address:

Premises/Building Numbers:

4. *Forms and Endorsements:*

SEE FORMS LIST

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS SETTLEMENT ENDORSEMENT

This endorsement modifies Insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

The following is added to Section VII - Loss Conditions

- E. Loss Settlement: The following covered property will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace:
 - a) Roof surfacing, awning, carpeting, outdoor antennas and outdoor equipment, whether or not attached to buildings, and
 - b) Structures that are not buildings.

PRAETORIAN INSURANCE

POLICY NUMBER:

COMMERCIAL PROPERTY

MULTIPLE DEDUCTIBLE FORM (FIXED DOLLAR DEDUCTIBLES)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE *

The Deductibles applicable to any one occurrence are shown below:

Deductible

Covered Causes of Loss **

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

** For each deductible listed in this Schedule, enter the number corresponding to the Covered Cause(s) of Loss to which that deductible applies (or enter the description).

- (1) All Covered Causes of Loss
- (2) All Covered Causes of Loss except Windstorm or Hail and Lightning
- (3) All Covered Causes of Loss except Theft
- (4) All Covered Causes of Loss except Windstorm or Hail and Theft
- (5) Windstorm or Hail
- (6) Theft
- (7) Lightning

The following is added to the DEDUCTIBLE section:

- A.** In the event that loss or damage occurs to Covered Property from more than one Covered Cause of Loss as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule above or in the Declarations, will apply.
- B.** The terms of this endorsement do not apply to any Earthquake Deductible or to any Windstorm or Hail Percentage Deductible provided elsewhere in the policy.

PRAETORIAN INSURANCE

POLICY NUMBER:

EXCLUSION - INCREASED COST OF CONSTRUCTION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

In consideration of the premium charged, it is hereby understood and agreed that Section **II** - Extensions of Coverage, **G**. "Increased Cost of Construction" does not apply to the following:

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - PERSONAL PROPERTY IN DWELLINGS

POLICY NUMBER:

EFFECTIVE DATE:

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

With respect to SECTION I - **Part D.-Covered Property and Application of Limits**, Paragraph 2e., this insurance does not apply to personal property located in dwellings.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PRAETORIAN INSURANCE

POLICY CHANGES - ACTUAL CASH VALUE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

The following is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, using the most common methods, means, and materials currently utilized in construction of public buildings, in the general architectural style that existed before the loss or damage occurred, subject to a deduction for deterioration, depreciation and obsolescence. Actual cash value applies to valuation of Covered Property regardless of whether that property has sustained partial or total loss or damage.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

PRAETORIAN INSURANCE

STANDARD MORTGAGE CLAUSE

This Endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement effective 12:01 A.M. standard time	Policy No.
Named Insured	Countersigned by

(Authorized Representative)

Loss or damage, if any, under this policy, shall be payable to _____

mortgagee [or trustee] as interest may appear, and this insurance, as to the interest of the mortgagee [or trustee] only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the within described property, nor by any foreclosure or other proceedings or notice of sale relating to the property, nor by any change in the title or ownership of the property, nor by the occupation of the premises for purposes more hazardous than are permitted by this policy; provided, that in case the mortgagor or owner shall neglect to pay any premium due under this policy, the mortgagee [or trustee] shall, on demand, pay the same.

Provided also, that the mortgagee [or trustee] shall notify this Company of any change of ownership or occupancy

or increase of hazard which shall come to the knowledge of said mortgagee [or trustee] and, unless permitted by this policy, it shall be noted thereon and the mortgagee [or trustee] shall, on demand, pay the premium for such increased hazard for the term of the use thereof; otherwise this policy shall be null and void.

This Company reserves the right to cancel this policy at any time as provided by its terms, but in such case this policy shall continue in force for the benefit only of the mortgagee [or trustee] for ten days after notice to the mortgagee [or trustee] of such cancellation and shall then cease, and this Company shall have the right, on like notice, to cancel this agreement.

Whenever this Company shall pay the mortgagee [or trustee] any sum for loss or damage under this policy, and shall claim that, as to the mortgagor or owner, no liability therefore existed, this Company shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the party to whom such payment shall be made, under all securities held as collateral to the mortgage debt, or may at its option, pay to the mortgagee [or trustee] the whole principal due or to grow due on the mortgage, with interest accrued thereon to the date of such payment, and shall thereupon receive a full assignment and transfer of the mortgage and of all such other securities; but on subrogation shall impair the right of the mortgagee [or trustee] to recover the full amount of _____ claim.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUILDING RELATED ILLNESS INVESTIGATION AND REMEDIATION

This Endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE

	<u>LIMIT</u>	<u>PREMIUM</u>
Building Related Illness Investigation and Remediation Aggregate Limit	\$25,000	\$
Per Occurrence Deductible: \$5,000		

A. EXTENSION OF COVERAGE

In consideration of the additional premium shown in the Schedule, the following is added to Paragraph 5. *COVERAGE EXTENSIONS* of the *COMMERCIAL PROPERTY COVERAGE PART* and *SECTION II - EXTENSIONS OF COVERAGE* of the *SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM*

1. Building Related Illness Investigation and Remediation

The Company will reimburse “you” up to \$25,000 aggregate per policy period for “building related illness investigation and remediation” caused by or resulting from a Covered Cause of Loss that occurs during the policy period if:

- a. Building occupants experience adverse health effects linked to building conditions denoting “sick building syndrome” or “building related illness”; or
- b. “You” are requested, ordered or otherwise obligated to investigate, perform tests, monitor, remediate or in any way respond to or assess indoor air quality by or on behalf of the Center for Disease Control or other governmental authority; and
- c. The expenses will be reimbursed only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

2. Deductible

“Our” obligation to pay under this coverage extension applies only to the amount of covered costs and expenses for “Building related illness investigation and remediation” in excess of the deductible shown in the Schedule, up to the applicable limit of Insurance.

B. DEFINITIONS

1. “Building related illness investigation and remediation means indoor air quality investigation by

a licensed/certified air quality remediation firm or contractor. It shall not include routine or scheduled investigation, maintenance or adjustments as required by Code, statute, ordinance or contractor warranty. “Building related illness investigation and remediation” shall include costs and expenses incurred for investigation and identification of the contamination source and appropriate remediation procedure, as well as expenses necessary to remove, encapsulate or treat the contamination source. “Building related illness investigation and remediation” shall not include lost profits or other related business costs or expenses incurred by “you” because of “building related illness investigation and remediation”, including but not limited to “your” employee salaries, wages or benefits.

2. “Building related illness” means when symptoms of a diagnosable illness or injury are identified or attributed to the conditions or quality of a structure or building’s environment. This includes, but is not limited to, airborne building contaminants, inadequate ventilation or air quality, carbon dioxide, carbon monoxide, nitrogen dioxide, emissions from building materials, adhesives, carpeting, flooring, upholstery, furnishings, equipment, machines or occupants, tobacco smoke, pesticides, cleaning agents, radon, mold, pollen, viruses, bacteria, or other organic or toxic compounds and respirable particle matters. Other potentially harmful building related conditions subject to this exclusion include, but are not limited to, lighting and lighting sources, audio transmissions or frequencies, problems with building temperature or humidification control or plumbing, dust and dust mites, long-term or multiple exposures to sensitizing chemicals or biogenic particles, poor building design or occupant activities.
3. “Sick building syndrome” means situations or claims in which building occupants experience discomfort, injury, illness or adverse health effects that appear to be linked to time spent in a building and a “building related illness”, but no specific cause of diagnosable illness or injury can be identified.

PRAETORIAN INSURANCE

BUILDING RELATED ILLNESS - EXCLUSION OF COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
SCHOOL PROTECTOR BUILDING AND PERSONAL PROPERTY COVERAGE FORM
MANUFACTURER'S OUTPUT POLICY

A. The insurance afforded by this **PROPERTY COVERAGE PART** shall not apply:

1. To any loss, damage or costs arising out of "building related illness", "sick building syndrome" or "building related illness investigation and remediation" unless "you" have elected to purchase an **EXTENSION OF COVERAGE** containing a \$25,000 reimbursement allotment, and then there is no coverage other than the reimbursement allotment specified and only under the terms and conditions specified in the endorsement providing for such reimbursement.
2. To any "building related illness investigation and remediation" which is a repeat or resumption of a previous "sick building syndrome" or "building related illness investigation and remediation" from essentially the same source. Any "building related illness investigation and remediation" within twelve (12) months of a previous "building related illness investigation and remediation" shall be deemed to be a repeat or resumption of the prior investigation.
3. To any contractual or indemnification obligation of the insured to provide or pay for "building related illness investigation and remediation", or any other loss, damage or cost arising out of "building related illness" or "sick building syndrome."

B. DEFINITIONS

1. "Building related illness investigation and remediation means indoor air quality investigation by a licensed/certified air quality remediation firm or contractor. It shall not include routine or scheduled investigation, maintenance or adjustments as required by Code, statute, ordinance or contractor warranty. "Building related illness investigation and remediation" shall include costs and expenses incurred for investigation and identification of the contamination source and appropriate remediation

procedure, as well as expenses necessary to remove, encapsulate or treat the contamination source. "Building related illness investigation and remediation" shall not include lost profits or other related business costs or expenses incurred by "you" because of "building related illness investigation and remediation", including but not limited to "your" employee salaries, wages or benefits.

2. "Building related illness" means when symptoms of a diagnosable illness or injury are identified or attributed to the conditions or quality of a structure or building's environment. This includes, but is not limited to, airborne building contaminants, inadequate ventilation or air quality, carbon dioxide, carbon monoxide, nitrogen dioxide, emissions from building materials, adhesives, carpeting, flooring, upholstery, furnishings, equipment, machines or occupants, tobacco smoke, pesticides, cleaning agents, radon, mold, pollen, viruses, bacteria, or other organic or toxic compounds and respirable particle matters. Other potentially harmful building related conditions subject to this exclusion include, but are not limited to, lighting and lighting sources, audio transmissions or frequencies, problems with building temperature or humidification control or plumbing, dust and dust mites, long-term or multiple exposures to sensitizing chemicals or biogenic particles, poor building design or occupant activities.
3. "Sick building syndrome" means situations or claims in which building occupants experience discomfort, injury, illness or adverse health effects that appear to be linked to time spent in a building and a "building related illness", but no specific cause of diagnosable illness or injury can be identified.

PRAETORIAN INSURANCE

POLICYHOLDER NOTICE

BUILDING RELATED ILLNESS - EXCLUSION OF COVERAGE

Your Commercial Property policy contract includes the BUILDING RELATED ILLNESS - EXCLUSION OF COVERAGE endorsement. This endorsement excludes loss, damage or costs arising out of “building related illness”, “sick building syndrome” or “building related illness investigation and remediation”. Please refer to the BUILDING RELATED ILLNESS - EXCLUSION OF COVERAGE endorsement for further details.

If you have any questions about this form or any other part of your policy, please contact your agent.

This disclosure notice does not provide coverage, nor does this notice replace any provisions of your policy. You should read your policy for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, the provisions of the policy shall prevail.

PRAETORIAN INSURANCE

SUBSIDENCE EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This insurance does not apply to “property damage”, whether direct or indirect, arising out of, caused by, resulting from, contributed to, or aggravated by the subsidence, settling, expansion, sinking, slipping, falling away, tilting, caving in, shifting, eroding, mud flow, rising or any other movement of land or earth, whether or not any of the foregoing emanate or arise from or are related to the operations of the insured or any other person for whose acts the insured is legally liable.

PRAETORIAN INSURANCE

POLICYHOLDER NOTICE SUBSIDENCE EXCLUSION

Your policy includes the SUBSIDENCE EXCLUSION endorsement. This endorsement excludes coverage for “property damage”, whether direct or indirect, arising out of, caused by, resulting from, contributed to, or aggravated by the subsidence, settling, expansion, sinking, slipping, falling away, tilting, caving in, shifting, eroding, mud flow, rising or any other movement of land or earth, whether or not any of the foregoing emanate or arise from or are related to the operations of the insured or any other person for whose acts the insured is legally liable.

If you have questions about this form or any other part of your policy, please contact your National American agent.

This disclosure notice does not provide coverage, nor does this notice replace any provisions of your policy. You should read your policy for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, the provisions of the policy shall prevail.

PRAETORIAN INSURANCE

POLICY NUMBER:

CYBER RISK EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within the policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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 (Does not include standard prepackaged software programs).

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.

Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of any blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

PRAETORIAN INSURANCE

EQUIPMENT BREAKDOWN COVERAGE

This Endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

1. When Equipment Breakdown Coverage is elected and herein endorsed to the Policy, the Building and Personal Property Coverage Form shall be subject to the following modifications:

A. EXTENSIONS OF COVERAGE

The following is added to SECTION III – EXTENSIONS OF COVERAGE

Equipment Breakdowns

1. The Company will pay for “loss” caused by or resulting from an “Accident” to “covered equipment”. As used in this Extension of Coverage, an “Accident” means direct physical loss as follows:
 - a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. electrical currents artificially generated, including electric arcing, that disturbs electrical devices, appliances, or wires;
 - c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned by, leased by, or operated under the control of the Named Insured;
 - d. “loss” caused by any condition or occurrence within steam boilers, steam pipes, steam engines or steam turbines; or
 - e. “loss” caused by any condition or occurrence within hot water boilers or other equipment for heating water.

If an initial “Accident” causes other “Accidents”, all will be considered one “Accident.” All “Accidents” that are the result of the same event will be considered one “Accident”.

“Covered equipment”, means Property Covered built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission, or utilization of energy.

2. The following extensions of coverage also apply to “loss” caused by or resulting from an “Accident”.

a. Expediting Expenses

With respect to damaged Property Covered of the Named Insured, the Company will pay, up to \$100,000, the reasonable extra cost to:

- (i) make temporary repairs; and
- (ii) expedite permanent repairs or replacement.

b. Hazardous Substances

The Company will pay for the additional cost to repair or replace Covered Property because of contamination by a “hazardous substance”. This includes the additional expenses to clean up or dispose of such property.

“Hazardous substance” means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

Additional costs mean those beyond what would have been required had no “hazardous substance” been involved.

The most the Company will pay for “loss” or damage under this coverage, including actual “loss” of Business Income the Named Insured sustains, necessary Extra Expense the Named Insured incurs and “loss” under Perishable Goods coverage, is \$100,000.

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c. Perishable Goods

- (i) The Company will pay for the Named Insured's "loss" of "perishable goods" due to spoilage.
- (ii) The Company will also pay for the Named Insured's "loss" of "perishable goods" due to the contamination from release of refrigerant, including but not limited to ammonia.
- (iii) The Company will also pay any necessary expenses the Named Insured incurs to reduce the amount of "loss" under this coverage. The Company will pay for such expenses to the extent that they do not exceed the amount of "loss" that otherwise would have been payable under this coverage.
- (iv) If the Named Insured is unable to replace the "perishable goods" before its anticipated sale, the amount of the Company's payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "Accident", less discounts and expenses the Named Insured otherwise would have had. Otherwise the Company's payment will be determined in accordance with the Valuation condition.
- (v) Additional definition. For the purposes of this coverage, "Perishable Goods" means personal property maintained under controlled conditions for its preservation and susceptible to "loss" or damage if the controlled conditions change.

The most the Company will pay for "loss" or damage under this coverage is \$100,000.

d. Computer Equipment

The Company will pay for "loss" or direct damage caused by or resulting from an "Accident" to "computer equipment".

"Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including "Media" and peripherals used in conjunction with such equipment.

"Media" means all forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment. The valuation for "media" will be the lesser of the cost of blank materials for reproducing the records, or for "media" that are massed produced and commercially available, at the replacement cost. The most we will pay for "loss" or damage under this coverage, including actual "loss" of Business Income you sustain and necessary Extra Expense you incur is \$100,000.

e. CFC Refrigerants

The Company will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances. This means the additional expense to do the least expensive of the following:

- (i) Repair the damaged property and replace any lost CFC refrigerant;
- (ii) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (iii) Replace the system with one using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

The most the Company will pay for "loss" or damage under this coverage, including actual "loss" of Business Income the Named Insured sustains, necessary Extra Expense the Named Insured incurs and "loss" under Perishable Goods coverage is \$100,000.

f. Service Interruption

The insurance provided for Business Income, Extra Expense and Perishable Goods is extended to apply to "loss" caused by or resulting from an "Accident" to equipment that is owned by a utility, landlord, or other supplier with whom the Named Insured has a contract to provide the Named Insured with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

B. EXCLUSIONS

- 1. All limitations and exclusions apply except:

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- a. Provisions B.1. and B.11. of SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS do not apply.
 - b. Provision B.9. of SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS does not apply.
 - c. Provisions A. and B. of SECTION III – LIMITATIONS TO COVERED PROPERTY do not apply.
2. The following is added to Provision A.7.a of SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS: However, if electrical “covered equipment” requires drying out because of the above, the Company will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and the deductible for Building or Business Personal Property, whichever applies.
3. The following exclusions are added to SECTION V – EXCLUDED RISKS OF DIRECT PHYSICAL LOSS:
- a. None of the following is “covered equipment”:
 - (i) structure, foundation, cabinet, compartment or air-supported structure;
 - (ii) any insulating or refractory material;
 - (iii) sewer piping, underground vessels or piping, any piping forming a part of a sprinkler system or water piping other than boiler feedwater piping; boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
 - (iv) vehicles (including self-propelled vehicles), draglines, excavation or construction equipment; or
 - (v) equipment manufactured by the Named Insured for sale.
 - b. The Company will not pay under this endorsement for “loss” or damage caused by or resulting from:
 - (i) any of the following tests:
 - a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - an insulation breakdown test of any type of electrical equipment.
 - (ii) the Named Insured’s failure to use all reasonable means to protect the “perishable goods” from damage following an “Accident”.
 - (iii) any defect, virus, “loss” of data or other situation within “media”. But if “loss” or damage from an “Accident” results, the Company will pay for that resulting “loss” or damage.
 - c. With respect to Service Interruption coverage and Perishable Goods coverage, the Company will also not pay for “loss” or damage caused by or resulting from fire; lightning; windstorm or hail; explosion (except for steam or centrifugal explosion); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; or freezing or collapse.

C. GENERAL CONDITIONS

The following is added to the provision for GENERAL CONDITIONS:

1. Suspension

When any “covered equipment” is found to be in, or exposed to a dangerous condition, any of the Company’s representatives may immediately suspend the insurance against “loss” from an “Accident” to that equipment. The Company can do this by mailing or delivering a written notice of suspension to the Named Insured’s address as shown in the Declarations, or at the address where the equipment is located. Once suspended in this way, the Named Insured’s insurance can be reinstated only by written notice from the Company. If the Company suspends this insurance, the Named Insured will get a pro rata refund of premium. But the suspension will be effective even if the Company has not yet made or offered a refund.

2. Jurisdictional Inspection

We have the right, but are not obligated, to inspect your property and operations at any time. This inspection may be made by us or may be made on our behalf. An inspection or its resulting advice or report does not warrant that your property or operations are safe or healthful or comply with laws, regulations, codes or standards.

If any property that is “covered equipment” under this Endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, the Company agrees to perform such inspection on the Named Insured’s behalf.

The most the Company will pay for “loss” or damage under this Endorsement is the applicable Limit of Insurance shown in the Declarations. Coverage provided under this Endorsement does not provide an additional amount of insurance.

PRAETORIAN INSURANCE
EQUIPMENT BREAKDOWN COVERAGE ELECTION

Named Insured: _____

Policy No.: _____

Boiler & Machinery Equipment Breakdown Coverage has been offered as part of the Commercial Property Coverage provided by _____.

This coverage has been explained, and it is the decision of the School District to include Equipment Breakdown Coverage as part of its Commercial Property Coverage.

Accepted By: _____
Named Insured – Authorized Signature
Superintendent or Board President

This coverage has been explained, and it is the decision of the School District to reject Equipment Breakdown Coverage as part of its Commercial Property Coverage.

Rejected By: _____
Named Insured – Authorized Signature
Superintendent or Board President

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

5.a. If this policy is cancelled, we will send the first Named Insured any premium refund due.

b. We will refund the pro rata unearned premium if the policy is:

- (1) Cancelled by us or at our request;
- (2) Cancelled but rewritten with us or in our company group;
- (3) Cancelled because you no longer have an insurable interest in the property or business operation that is the subject of this insurance; or
- (4) Cancelled after the first year of a prepaid policy that was written for a term of more than one year.

c. If the policy is cancelled at the request of the first Named Insured, other than a cancellation described in **b.(2), (3) or (4)** above, we will refund 90% of the pro rata unearned premium. However, the refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

d. The cancellation will be effective even if we have not made or offered a refund.

e. If the first Named Insured cancels the policy, we will retain no less than \$100 of the premium.

B. The following is added to the **Cancellation Common Policy Condition:**

7. Cancellation Of Policies In Effect More Than 60 Days

a. If this policy has been in effect more than 60 days or is a renewal policy, we may cancel only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
- (3) The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance;
- (4) Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or its occupancy which substantially increases any hazard insured against under the policy;
- (5) Nonpayment of membership dues in those cases where our by-laws, agreements or other legal instruments require payment as a condition of the issuance and maintenance of the policy; or
- (6) A material violation of a material provision of the policy.

b. Subject to Paragraph **7.c.**, if we cancel for:

- (1) Nonpayment of premium, we will mail or deliver written notice of cancellation, stating the reason for cancellation, to the first Named Insured and any lienholder or loss payee named in the policy at least 10 days before the effective date of cancellation.

(2) Any other reason, we will mail or deliver notice of cancellation to the first Named Insured and any lienholder or loss payee named in the policy at least 20 days before the effective date of cancellation.

C. The following Condition is added and supersedes any other provision to the contrary:

NONRENEWAL

1. If we decide not to renew this policy, we will mail to the first Named Insured shown in the Declarations, and to any lienholder or loss payee named in the policy, written notice of nonrenewal at least 60 days before:

- a. Its expiration date; or
- b. Its anniversary date, if it is a policy written for a term of more than one year and with no fixed expiration date.

However, we are not required to send this notice if nonrenewal is due to the first Named Insured's failure to pay any premium required for renewal.

The provisions of this Paragraph 1. do not apply to any mortgageholder.

2. We will mail our notice to the first Named Insured's mailing address last known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. The **Appraisal** Loss Condition is replaced by the following:

Appraisal

1. If we and you disagree on the value of the property or the amount of loss, either party may make a written request for an appraisal of the loss. However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire.
2. An appraisal decision will not be binding on either party.

3. If there is an appraisal, we will still retain our right to deny the claim.

4. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

B. The **Legal Action Against Us** Condition is replaced by the following:

Legal Action Against Us

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

1. There has been full compliance with all the terms of this Policy; and
2. The action is brought within five (5) years after the date on which the direct physical loss or damage occurred.

SERFF Tracking Number: NTAC-125709019 *State:* Arkansas
Filing Company: Praetorian Insurance Company *State Tracking Number:* #? \$50
Company Tracking Number: PIC-CIM-AR-SP-F-001
TOI: 01.0 Property *Sub-TOI:* 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Arkansas School Property Insurance Program/PIC-CIM-AR-SP-F-001

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: NTAC-125709019 State: Arkansas
Filing Company: Praetorian Insurance Company State Tracking Number: #? \$50
Company Tracking Number: PIC-CIM-AR-SP-F-001
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Arkansas School Property Insurance Program/PIC-CIM-AR-SP-F-001

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 07/01/2008

Comments:

Attachment:

AR PC Transmittal - SP FF.pdf

Satisfied -Name: Filing Authorization **Review Status:** Approved 07/01/2008

Comments:

Attachment:

Arkansas Filing Authority.pdf

Satisfied -Name: Cover Letter **Review Status:** Approved 07/01/2008

Comments:

Attachment:

AR Cover Letter -FF.pdf

Satisfied -Name: Form Listing **Review Status:** Approved 07/01/2008

Comments:

Attachment:

AR School Property Forms List.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

5. Company Tracking Number	
-----------------------------------	--

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7. Signature of authorized filer	
8. Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: <input type="text"/> Renewal: <input type="text"/>
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

22. Filing Fees (Filer must provide check # and fee amount if applicable)
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

PC TD-1 pg 2 of 2

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	PIC-CIM-AR-SP-F-001			
2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	N/A			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Common Policy Conditions	IL 00 17 11 98	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Common Policy Declarations	PTIL0019 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Forms List	PTFORMLIST (6/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Payment Schedule	PTPAYSCHED (6/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	School Building And Personal Property Coverage Form	PTPRO-01 (6/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Loss Payable Provisions	PTPRO-02 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Exclusion of Loss Due To Virus Or Bacteria	PTPRO-03 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	School Building and Personal Property Earthquake Endorsement (With Annual Aggregate)	PTPRO-10 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	School Building and Personal Property Flood Endorsement (With Annual Aggregate)	PTPRO-11 (1/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Protector Building and Personal Property Actual Cash Value Limitation Endorsement	PTPRO-12 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	PIC-CIM-AR-SP-F-001			
2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	N/A			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	School Building and Personal Property Functional Building Valuation	PTPRO-13 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	School Building and Personal Property Scheduled Cash Value Limitation Endorsement - (RC)	PTPRO-14 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	School Building and Personal Property Scheduled Cash Value Limitation Endorsement- (ACV)	PTPRO-15 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	School Building and Personal Property Sworn Statement of Values	PTPRO-16 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	School Building and Personal Property Coverage Declarations	PTPRO-17 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Loss Settlement Endorsement	PTPRO-18 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Multiple Deductible Form (Fixed Dollar Deductibles)	PTPRO-19 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Exclusion - Increased Cost of Construction	PTPRO-21 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Exclusion - Personal Property In Dwellings	PTPRO-22 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Policy Changes - Actual Cash Value	PTPRO-23 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	PIC-CIM-AR-SP-F-001
2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	N/A

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Standard Mortgage Clause	PT127B (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Building Related Illness Investigation and Remediation	PTCP-01 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Building Related Illness Exclusion of Coverage	PTCP-02 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Policyholder Notice - Building Related Illness Exclusion of Coverage	PN PTCP-02 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Subsidence Exclusion	PTCP-04 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Policyholder Notice - Subsidence Exclusion	PN-PTCP-04 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Cyber Risk Exclusion	PTCP-05 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Equipment Breakdown Coverage	PTBM0050A (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Equipment Breakdown Coverage Election	PTBM-ELECT (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Arkansas Changes - Cancellation And Nonrenewal	PTPRO-AR1 (6/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	PIC-CIM-AR-SP-F-001
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	N/A
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3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Arkansas Changes - Appraisal	PTPRO-AR2 (6/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1



Letter of Filing Authority

June 24, 2008

**RE: Praetorian Insurance Company - (0796-37257)
Arkansas School Property Program
Commercial Property
Form Filing – New Program
Company Filing No.: PIC-CIM-AR-SP-F-001**

To whom it may concern:

This letter will certify that Chandler Insurance Manager, Inc has been given the authorization to submit this form filing on behalf of Praetorian Insurance Co, part of the (QBE Specialty Insurance), This authorization includes providing additional information and responding to questions regarding this filing a necessary.

Please direct all correspondence and inquiries related to this filing directly to Chandler Insurance Managers.

Please feel free to contact me at 212-805-9740 or by e-mail virginia.putzu@qbemaericas.com.

Sincerely,

A handwritten signature in black ink that reads 'Virginia Putzu'. The signature is written in a cursive, flowing style.

Virginia Putzu
Unit Leader

Wall Street Plaza • 88 Pine Street • New York, NY 10005
Phone: 212.422.1212 • Fax: 212.422.1313 • www.qbe.com



Chandler Insurance Managers, Inc

"Setting the standard that others strive for..."

Jennifer Carr, CIC
Rate & Form Analyst

June 26, 2008

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

Submitted via SERFF

RE: Praetorian Insurance Company FEIN 36-3030511, NAIC Number 0796-37257
Arkansas School Property Program
Commercial Property
Form Filing - New Program
Proposed Effective Date: August 1, 2008
Company Filing Number: PIC-CIM-AR-SP-F-001

Dear Commissioner Bowman:

On behalf of Praetorian Insurance Company (the "Company"), we submit for your review this initial form filing for their new Arkansas School Property Program.

The Company respectfully requests that the proposed forms be implemented effective August 1, 2008.

Enclosed is authorization for Chandler Insurance Managers, Inc. to submit this filing on behalf of the Company. All correspondence related to this filing should be directed to Chandler Insurance Managers, Inc.

Please do not hesitate to contact us with any questions or comments.

Sincerely,

Jennifer Carr, CIC
Rate & Form Analyst
Phone: 800.822.7802 extension 4486
Fax: 405.258.4520
Email: jcarr@naico.com

Enclosures

ARKANSAS SCHOOL PROPERTY PROGRAM

Form No.	Title	Description	Rate Impact Yes (Y) No (N)	Mandatory (M) Optional (O)	Restricts – R Broadens – B Clarifies - C
IL 00 17 11 98	Common Policy Conditions	Policy Conditions	N	M	C
PTIL0019 (12/06)	Common Policy Declarations	Declarations	N	M	C
PTFORMLIST (6/07)	Forms List	Form Listing	N	M	C
PTPAYSCHEM (6/07)	Payment Schedule	Payment Schedule	N	O	C
PTPRO-01 (6/08)	School Building and Personal Property Coverage Form	Commercial Property Coverage Form	Y	M	C
PTPRO-02 (12/06)	Loss Payable Provisions	For adding loss payees	N	O	C
PTPRO-03 (12/06)	Exclusion of Loss Due To Virus Or Bacteria	Excludes from coverage 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	N	M	C
PTPRO-10 (12/06)	School Building and Personal Property Earthquake Endorsement (With Annual Aggregate)	Provides earthquake coverage	Y	O	B
PTPRO-11 (1/08)	School Building and Personal Property Flood Endorsement (With Annual Aggregate)	Provides flood coverage	Y	O	B
PTPRO-12 (12/06)	Protector Building and Personal Property Actual Cash Value Limitation Endorsement	Property shown in the schedule of the endorsement is valued at actual cash value	Y	O	C
PTPRO-13 (12/06)	School Building and Personal Property Functional Building Valuation	Property shown in the schedule of the endorsement is valued at functional replacement cost	Y	O	C
PTPRO-14 (12/06)	School Building and Personal Property Scheduled Cash Value Limitation Endorsement –(RC)	Limits the company’s liability for loss to the lesser of the cost to repair or replace or the limit shown in the schedule	Y	O	C
PTPRO-15 (12/06)	School Building and Personal Property Scheduled Cash Value Limitation Endorsement – (ACV)	Limits the company’s liability for loss to the lesser of the ACV, cost to repair or replace, or the limit shown in the schedule	Y	O	C
PTPRO-16 (12/06)	School Building and Personal Property Sworn Statement of Values	Schedule of Property	N	M	C
PTPRO-17 (12/06)	School Building and Personal Property Coverage Declarations	Declarations	N	M	C
PTPRO-18 (12/06)	Loss Settlement Endorsement	Specifies that certain types of property will be settled at actual cash value at the time of loss	N	O	C
PTPRO-19 (12/06)	Multiple Deductible Form (Fixed Dollar Deductibles)	Schedules all applicable deductibles for the commercial property coverage parts.	N	O	C
PTPRO-21 (12/06)	Exclusion - Increased Cost of Construction	Excludes “increased cost of construction” due to ordinance or law from older buildings that are not intended to be replaced	N	O	C
PTPRO-22 (12/06)	Exclusion – Personal Property in Dwellings	Excludes Personal Property in Dwellings used as a residence for teachers, employees, students, etc.	N	O	R

ARKANSAS SCHOOL PROPERTY PROGRAM

Form No.	Title	Description	Rate Impact Yes (Y) No (N)	Mandatory (M) Optional (O)	Restricts – R Broadens – B Clarifies - C
PTPRO-23 (12/06)	Policy Changes - Actual Cash Value	Clarifies the meaning of actual cash value	N	M	C
PT127B (12/06)	Standard Mortgage Clause	Mortgage Clause	N	O	C
PTCP-01 (12/06)	Building Related Illness Investigation and Remediation	Provides a limited extension of coverage and up to a \$25,000 aggregate limit per policy period for “building related illness investigation and remediation” caused by or resulting from a Covered Cause of Loss that occurs during the policy period. Includes a \$5,000 per occurrence deductible	Y	O	B
PTCP-02 (12/06)	Building Related Illness Exclusion of Coverage	Excludes any loss, damage or costs arising out of “building related illness,” “sick building syndrome” or “building related illness investigation and remediation.” This endorsement must be attached to the policy if the coverage provided under PTCP-01 is not purchased.	N	M	C
PN PTCP-02 (12/06)	Policyholder Notice – Building Related Illness Exclusion of Coverage	Policyholder Notice for PTCP-02	N	M	C
PTCP-04 (12/06)	Subsidence Exclusion	Excludes property damage, whether direct or indirect, arising out of, caused by, resulting from, contributed to, or aggravated by the subsidence or any other movement of land or earth, whether or no any of the foregoing emanate or arise from or are related to the operations of the insured or any other person for whose acts the insured is legally liable	N	M	C
PN-PTCP-04 (12/06)	Policyholder Notice – Subsidence Exclusion	Policyholder Notice	N	M	C
PTCP-05 (12/06)	Cyber Risk Exclusion	Excludes loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction of any other cause or event contributing concurrently or in any other sequence to the loss. The form gives back coverage to replace data for which there is back-up if the media is damaged from a covered cause of loss	N	O	C
PTBM0050A (12/06)	Equipment Breakdown Coverage	Customized product 100% reinsured by Hartford Steam Boiler. The form covers mechanical breakdown, artificially generated electric current, steam explosion, etc.	Y	O	B
PTBM-ELECT (12/06)	Equipment Breakdown Coverage Election	Election Form	N	M	C

ARKANSAS SCHOOL PROPERTY PROGRAM

Form No.	Title	Description	Rate Impact Yes (Y) No (N)	Mandatory (M) Optional (O)	Restricts – R Broadens – B Clarifies - C
PTPRO-AR1 (6/08)	Arkansas Changes - Cancellation And Nonrenewal	Amends the cancellation and nonrenewal provisions to comply with state law	N	M	C
PTPRO-AR2 (6/08)	Arkansas Changes - Appraisal	Amends the Appraisal loss condition to comply with state law	N	M	C

SERFF Tracking Number: *NTAC-125709019* *State:* *Arkansas*
Filing Company: *Praetorian Insurance Company* *State Tracking Number:* *#? \$50*
Company Tracking Number: *PIC-CIM-AR-SP-F-001*
TOI: *01.0 Property* *Sub-TOI:* *01.0001 Commercial Property (Fire and Allied Lines)*

Product Name: *Commercial Property*
Project Name/Number: *Arkansas School Property Insurance Program/PIC-CIM-AR-SP-F-001*

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Arkansas Changes - Appraisal	06/24/2008	PTPRO-AR2 6-08.pdf

PRAETORIAN INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES – APPRAISAL

This endorsement modifies insurance provided under the following:

SCHOOL BUILDING AND PERSONAL PROPERTY COVERAGE FORM

The **Appraisal** Loss Condition is replaced by the following:

Appraisal

a. If we and you disagree on the value of the property or the amount of loss, either party may make a written request for an appraisal of the loss. However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a

court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire.

- b.** An appraisal decision will not be binding on either party.
- c.** If there is an appraisal, we will still retain our right to deny the claim.
- d.** Each party will:
 - (1)** Pay its chosen appraiser; and
 - (2)** Bear the other expenses of the appraisal and umpire equally.