

PUCO EXHIBIT FILING

RECEIVED-DOCKETING DIV

Date of Hearing: 5-10-12

2012 MAY 29 PM 3:29

Case No. 11-4509-ST-AIR

PUCO

PUCO Case Caption: In the Matter of the Application
of Water and Sewer, LLC, for an Increase
in its Rates and Charges for Sewage
Disposal Service

List of exhibits being filed:

Applicants

- 1- Affidavits of Publication of Legal Notices
- 2- Testimony of Kenneth N. Rosselet, Jr.
- 3- Testimony of Kenneth N. Rosselet, Jr. - Rebuttal
- 3a- Redlined corrections to original pages 14, 15 and 17 of rebuttal testimony of Kenneth N. Rosselet, Jr.
- 3b- Corrected pages 14 through 18 of rebuttal testimony of Kenneth N. Rosselet, Jr.
- 4- Westfield Companies Insurance Policy
- 5- Philadelphia Insurance Companies Insurance Policy
- 6- Proposed revised tariff sheets and appendices

Intervenor-

- 1- Joint stipulation of Intent of Water and Sewer, LLC and The Village of Richfield

Staff

- 1- Staff Report
- 2- Testimony of Sue Daly
- 3- Testimony of S. Nicole Crocker
- 4- Supplemental Prefiled testimony of William Ross Willis

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.

Technician JD Date Processed 5-30-12

Reporter's Signature: Jus Sullivan

Date Submitted: _____

1 BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

2 - - -

3 In the Matter of :
4 the Application of :
5 Water and Sewer, LLC, :Case No. 11-4509-ST-AIR
6 for an Increase in its :
7 Rates and Charges for :
8 Sewage Disposal Service.:
9

10 - - -

11 PROCEEDINGS

12 Before Mr. Jay Agranoff, Hearing Examiner, at
13 the Public Utilities Commission of Ohio, 180
14 East Broad Street, Hearing Room 11-D, Columbus,
15 Ohio, on Thursday, May 10, 2012, at 10:00 a.m.
16

17 - - -

18
19
20
21 ARMSTRONG & OKEY, INC.
22 222 East Town Street, 2nd Floor
23 Columbus, Ohio 43215-5201
24 (614) 224-9481/(800) 223-9481
25 Fax (614) 224-5724

- - -

Case Number 11-4509-ST-AIR

The following exhibit(s) were prefiled and can be located with the pleadings:

[illegible]

EXHIBITS

ORIGINAL

Applicant's Exhibit No. 1

Water and Sewer LLC
Case No. 11-4509-ST-AIR

**AFFIDAVITS OF PUBLICATION
OF
REQUIRED LEGAL NOTICES**

Water & Sewer LLC
c/o Barth Royer
33 South Grant Avenue
Columbus, OH 43215-3900

AFFIDAVIT

THE STATE OF OHIO,
SUMMIT COUNTY

I, Clark J. Burns clerk of WEST SIDE PUBLISHING COMPANY, publishers of WEST SIDE LEADER on oath, say that the notice hereunto annexed has been published, 8th, 15th & 22nd day of December, 2011 in said paper printed and published in the City of Akron, County of Summit, State of Ohio, and of general circulation therein. That said newspaper had a bona-fide circulation of more than forty-two thousand (42,000) at the time the advertisement was published, and that the price charged in the attached bill for same does not exceed the rates charged for like amount of space to other advertisers in its display advertising columns.

SIGNED

Clark J. Burns

Sworn to before me, and subscribed in my presence, this 4 day of January, 2011.

Jocia N. Butler
Notary Public, Summit County, Ohio

My Commission Expires Jocia N. Butler
Resident Summit County
Notary Public, State of Ohio
My Commission Expires: 05/08/12

Printer's Fee \$ 416.79

Affidavit _____

Total \$ 416.79

**NOTICE TO CUSTOMERS
WATER AND SEWER LLC
PUCO CASE NO. 11-4509-ST-AIR**

Pursuant to Section 4909.19, Revised Code, Water and Sewer LLC (Applicant) hereby gives notice that, on September 23, 2011, it filed an application with the Public Utilities Commission of Ohio (Commission) in Case No. 11-4509-ST-AIR requesting authority to increase the rates it charges for sewer service.

Any interested party seeking detailed information with respect to all affected rates, charges, regulations, and practices may inspect a copy of the application, including supporting schedules and present and proposed rate sheets, by any of the following methods: by visiting the offices of the Commission at 180 East Broad Street, 11th floor, Columbus, Ohio, 43215-3793; or by visiting the Commission's web site at <http://www.puco.ohio.gov>, selecting DHS, inputting 11-4509 in the case lookup box, and selecting the date the application was filed. Additionally, a copy of the application and supporting documents may be viewed at the business office of the company at 9439 West Brimard Road, Suite 260, Woodmere, Ohio 44122.

The current base rates were approved in 2009 in Case No. 08-277-WS-AIR. In its application, Water and Sewer LLC alleges that, based on current expense levels, its existing rates and charges do not provide it with reasonable compensation and return for the utility services it renders. Based on this allegation, the Applicant requests that the Commission grant the Applicant authorization to charge the proposed rates and charges set forth in the rate chart below.

Any person, firm, corporation, association, or other entity may file, pursuant to Section 4909.19, Revised Code, an objection to such increase which may allege that such application contains proposals that are unjust and discriminatory or unreasonable. Recommendations which differ from the application may be made by the Staff of the Commission or by intervening parties and may be adopted by the Commission.

Rate Chart

Current Rates & Charges for Sewer Service

Bi-Monthly Customer Charge	\$ 6.79
Bi-Monthly Flat Rate	\$ 214.90

Proposed Rates & Charges for Sewer Service

Bi-Monthly Customer Charge	\$ 9.50
Bi-Monthly Flat Rate	\$301.11

Leader Publications
Display Advertising Department
3075 Smith Road, Suite 204
Akron, Ohio 44333
Phone (330) 665-9595 * Fax 330-665-9590

Water & Sewer LLC **PP**
 c/o Barth Royer
 33 South Grant Ave.
 Columbus, OH 43215-3900

No.: 12/8/2011-WSL416500-001
 Account: 17770
 Invoice Date: 11/29/2011
 Invoice Due: \$416.79

Amount Due

PAID

Please indicate reference number(s) to insure proper credit: _____

12/19/11 AMEX Page: 1

INVOICE

Customer No.		Salesperson	Invoice Period		Invoice Date	
17770		Vassel	12/8/2011 - 12/23/2011		11/29/2011	
Date	Reference	Description	Column Inches	Rate	Quantity	Charge
12/08/11	WSL416500-001 WSL	Prepay Discount 5%, Main Display Advertising Discount Included: (\$7.31)	8.00	18.280		\$138.93
12/15/11	WSL416500-002 WSL	Prepay Discount 5%, Main Display Advertising Discount Included: (\$7.31)	8.00	18.280		\$138.93
12/22/11	WSL416500-003 WSL	Prepay Discount 5%, Main Display Advertising Discount Included: (\$7.31)	8.00	18.280		\$138.93

Charges \$416.79

Total Transactions \$416.79

1.5% Service Charge applied to balances not paid within 30 days of
 invoice date. Include Acct # and Ref # on your check. If delinquent,
 actual & reasonable collection charges & legal fees will be added.

Water & Sewer LLC
c/o Barth Royer
33 South Grant Avenue
Columbus, OH 43215-3900

AFFIDAVIT

THE STATE OF OHIO,
SUMMIT COUNTY

I, Clark J. Burns clerk of WEST SIDE PUBLISHING COMPANY, publishers of WEST SIDE LEADER on oath, say that the notice hereunto annexed has been published, 22nd & 29th day of March 2012 in said paper printed and published in the City of Akron, County of Summit, State of Ohio, and of general circulation therein. That said newspaper had a bona-fide circulation of more than forty-two thousand (42,000) at the time the advertisement was published, and that the price charged in the attached bill for same does not exceed the rates charged for like amount of space to other advertisers in its display advertising columns.

SIGNED

Clark J. Burns

Sworn to before me, and subscribed in my presence, this 10 day of April, 20 12.

Jecia N. Butler
Notary Public, Summit County, Ohio

My Commission Expires

Jecia N. Butler
Resident Summit County
Notary Public, State of Ohio
My Commission Expires: 05/08/12

Printer's Fee \$365⁸⁸

Affidavit _____

Total \$365⁸⁸

LEGAL NOTICE

The Public Utilities Commission of Ohio has scheduled a local public hearing in Case No. 11-4509-ST-AIR, *In the Matter of the Application of Water and Sewer LLC to Increase Its Rates for Sewer Service*. The local hearing is scheduled for the purpose of providing an opportunity to interested members of the public to testify in this proceeding. The local hearing will be held on April 11, 2012, at 6:00 p.m., in the Council Chambers for the village of Richfield, Administration Building 4419 Streetsboro Road, Richfield, Ohio 44286. In addition, an evidentiary hearing is scheduled on April 17, 2012, at 10:00 a.m. in Hearing Room 14-C, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio 43215. By its application, Water and Sewer LLC seeks a sewer rate increase, which would generate approximately \$41,260 annually or 40.11 percent over current wastewater revenues. The staff of the Commission recommends a revenue increase range between \$32,198 to \$33,539, or 31.30 percent to 32.60 percent over current wastewater revenues.

The major issues raised in this case include, but are not limited to:

- (a) The appropriate rate base and rate of return;
- (b) The determination of test-year revenues and operating expenses or costs of service;
- (c) The appropriate tariff provisions and the determination of the reasonable customer charges to be included in the tariff;
- (d) Bill-related information; and
- (e) Quality and reliability of service and resolution of issues of compliance with commitments from prior rate cases.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793, the Commission's hotline at 1-800-686-7826, or the PUCO website at <http://www.puc.state.oh.us>.

Leader Publications
 3075 Smith Road
 Suite 204
 Akron, OH 44333
 330-665-9595 dnicolard@akron.com

Invoice Number	Invoice Date
11354	3/23/2012

Advertiser No.	Invoice Amount	Due Date
17770	\$365.88	3/23/2012

Water & Sewer LLC **PP**
 33 South Grant Ave.
 Columbus, OH 43215-3900

Amount Enclosed

3/23/12 AMEX

Please detach this invoice

with your payment

INVOICE

Leader Publications

Water & Sewer LLC **PP**

Invoice No. 11354

3/23/2012

Date	Order	Description	Ad Size	SubTotal	Sales Tax	Amount
3/22/2012	1992 WS.	Display: Community News: West Side Leader	2 x 5.25			\$182.94
		Pre-Pay Discount (\$9.63)				
3/29/2012	1992 WS.	Display: Community News: West Side Leader	2 x 5.25			\$182.94
		Pre-Pay Discount (\$9.63)				
				Sub Total:		\$365.88
				Total Transactions: 2	Total:	\$365.88

SUMMARY	Advertiser No.	17770	Invoice No.	11354	Tear Sheets	1
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A 1.5% service charge will be applied to balances not paid within 30 days of invoice date. Please include your account number and invoice number on your check. Actual and reasonable collection charges will be added if delinquent.

Please make checks payable to Leader Publications.

Call us at 330-665-9595 for any questions.

EXHIBIT

Redlined Corrections to Original Pages 14, 15, and 17

of

Rebuttal Testimony of Kenneth ^{N.}~~R.~~ Rosselet, Jr.

Appl. 3A

1 coverage under the commercial package policy that extends to RFRA is General
2 Liability Coverage for the real property owned by RFRA upon which Water and
3 Sewer's sewage treatment plant and other related facilities are located. Further,
4 naming RFRA as an insured on the Water and Sewer policy so as to provide it
5 with liability protection in the event it were also named as a defendant in a lawsuit
6 against Water and Sewer did not add to the cost of the premiums. Thus,
7 although it is fair to say that this coverage benefits RFRA, this benefit did not add
8 anything to the cost of the premiums paid by Water and Sewer. I would also note
9 that, as stated in the affidavit, the annual premium for the General Liability
10 Coverage is \$1,34774, whereas, after Staff's annualization adjustment, the total
11 annual premium for the commercial package policy is \$13,157. So, if there is to
12 be any allocation of insurance expense to RFRA based on theory that RFRA
13 benefits from the commercial package policy, it should be limited to the General
14 Liability Coverage premium.

15
16 ~~In addition, as shown on the underlying Staff workpaper attached as Exhibit~~
17 ~~KNR 1 to my direct testimony, the Staff also allocated one half of adjusted~~
18 ~~pollution control insurance expense to RFRA. RFRA is not a named insured on~~
19 ~~the pollution policy, which relates strictly to Water and Sewer's sewer plant.~~
20 ~~Thus, the Company, in responding to Staff's request for an affidavit regarding~~
21 ~~coverage under the commercial policy, pointed out that there was no basis for~~
22 ~~allocating any part of the pollution insurance expense to RFRA.~~
23

1 **Q. The Staff workpaper attached as Exhibit KNR-1 to your direct testimony**
2 **indicates that Staff also allocated one-half of the annualized cost of**
3 **pollution insurance policy to RFRA. Was that allocation appropriate?**

4 **A. No, for the same reason it was not appropriate to divide the cost of the**
5 **commercial package policy between Water and Sewer and RFRA; i.e., including**
6 **RFRA as a named insured had no effect on the amount of the premiums paid by**
7 **Water and Sewer.**

8
9 **Q. How do you know that including RFRA as an insured on the pollution**
10 **policy had no effect on the premiums paid by Water and Sewer?**

11 **A. The pollution policy initially prepared by the insurer, Philadelphia Indemnity**
12 **Insurance Company, did not include RFRA as a named insured. As shown by**
13 **the cover letter from the insurance agent attached to my rebuttal testimony as**
14 **Exhibit KNR-Reb-4, RFRA was added as a named insured by a subsequent**
15 **endorsement amending the policy as originally prepared. (The correcting**
16 **endorsement is attached to my rebuttal testimony as Exhibit KNR-Reb-5).**
17 **However, the premium for the policy did not change as a result of including**
18 **RFRA as a named insured.**

19 **Q. You indicated that Staff witness Crocker's testimony appears to indicate**
20 **another shift in the Staff's position with respect to the appropriate**
21 **allowance for insurance expense. Please explain.**

1 Q. In light of this new development, how should the allowance for insurance
2 expense be calculated?

3 A. First, the Staff's disallowance of one-half of the annualized premium for the
4 pollution policy should be reversed because that policy the pollution coverage
5 unquestionably relates solely to sewer facilities of Water and Sewer. Although
6 RFRA was subsequently added as a named insured, the resulting liability
7 coverage for RFRA did not increase the cost of the premiums. Thus, the entire
8 adjusted annual premium of \$5,199.36 for pollution insurance should be included
9 as an allowable expense.

10
11 Second, the cost of the premium for the coverage of the water assets should be
12 eliminated in its entirety, thereby reducing the allowance for the premiums
13 associated with the commercial package policy by \$3,048, and leaving
14 \$10,109.04 as the appropriate adjusted cost of the commercial package policy.

15
16 Finally, if it is determined that the General Liability Coverage for RFRA
17 constitutes a benefit to RFRA notwithstanding that the inclusion of RFRA as a
18 named insured did not add to the cost of the premiums paid by Water and Sewer,
19 the \$1,347.74 premium for the General Liability Coverage should be allocated
20 between the two companies, resulting in the inclusion of one-half of this amount,
21 or \$673.50, as an allowable expense.

**Corrected Pages 14 through 18
of
Rebuttal Testimony of Kenneth N. Rosselet, Jr.
and
Additional Exhibits KNR-Reb-4 and KNR-Reb-5**

Apppl. 3 B

1 coverage under the commercial package policy that extends to RFRA is General
2 Liability Coverage for the real property owned by RFRA upon which Water and
3 Sewer's sewage treatment plant and other related facilities are located. Further,
4 naming RFRA as an insured on the Water and Sewer policy so as to provide it
5 with liability protection in the event it were also named as a defendant in a lawsuit
6 against Water and Sewer did not add to the cost of the premiums. Thus,
7 although it is fair to say that this coverage benefits RFRA, this benefit did not add
8 anything to the cost of the premiums paid by Water and Sewer. I would also note
9 that, as stated in the affidavit, the annual premium for the General Liability
10 Coverage is \$1,347, whereas, after Staff's annualization adjustment, the total
11 annual premium for the commercial package policy is \$13,157. So, if there is to
12 be any allocation of insurance expense to RFRA based on theory that RFRA
13 benefits from the commercial package policy, it should be limited to the General
14 Liability Coverage premium.

15
16 **Q. The Staff workpaper attached as Exhibit KNR-1 to your direct testimony**
17 **indicates that Staff also allocated one-half of the annualized cost of**
18 **pollution insurance policy to RFRA. Was that allocation appropriate?**

19 **A.** No, for the same reason it was not appropriate to divide the cost of the
20 commercial package policy between Water and Sewer and RFRA; i.e., including
21 RFRA as a named insured had no effect on the amount of the premiums paid by
22 Water and Sewer.

1 **Q. How do you know that including RFRA as an insured on the pollution**
2 **policy had no effect on the premiums paid by Water and Sewer?**

3 **A.** The pollution policy initially prepared by the insurer, Philadelphia Indemnity
4 Insurance Company, did not include RFRA as a named insured. As shown by
5 the cover letter from the insurance agent attached to my rebuttal testimony as
6 Exhibit KNR-Reb-4, RFRA was added as a named insured by a subsequent
7 endorsement amending the policy as originally prepared. (The correcting
8 endorsement is attached to my rebuttal testimony as Exhibit KNR-Reb-5).
9 However, the premium for the policy did not change as a result of including
10 RFRA as a named insured.

11 **Q. You indicated that Staff witness Crocker's testimony appears to indicate**
12 **another shift in the Staff's position with respect to the appropriate**
13 **allowance for insurance expense. Please explain.**

14 **A.** Although it was clear from the underlying Staff workpaper that the reference in
15 the Staff Report to "non-regulated business operations" referred to RFRA, Ms.
16 Crocker now states that "(o)ne half of the insurance expense should be allocated
17 to the now-unregulated business (formerly the water business)," noting that
18 insurance policy in question clearly includes coverage for the water assets. Ms.
19 Crocker then goes on to say that RFRA is also a named insured and, as such,
20 receives a benefit from the policy, and that, therefore, a portion of the insurance
21 cost should be allocated to RFRA.

1 **Q. Do you agree that the commercial package policy in place at the end of the**
2 **test year included coverage of the water assets?**

3 A. Yes, and I agree that it would not be appropriate to include the cost of that
4 coverage as an allowable expense in determining the rates to be charged by the
5 Company for sewer service. However, I disagree that removing the cost of the
6 coverage for the water assets supports disallowing one-half of the cost of the
7 commercial package policy as a an allowable expense as proposed by Staff.

8
9 **Q. When did the Company become aware that the commercial package policy**
10 **included coverage of the water assets?**

11 A. Water and Sewer exited the water business at the end of 2009. The term of the
12 Company's existing policy was set to expire on July 10, 2010. Thus, in
13 requesting coverage for the next annual period, the Company instructed its
14 insurance agent that the new policy should not include coverage for the water
15 assets. When it became apparent from the Staff Report that insurance expense
16 would be in issue, the Company reviewed the new policy. However, because the
17 focus of that review was directed to the issues as they had been framed by the
18 Staff – *i.e.*, whether there was a benefit to RFRA by virtue of being a named
19 insured and whether the policy covered the real property owned by RFRA – the
20 Company missed the fact that, contrary to its instructions, the new policy
21 continued to provide coverage for the water assets. When the Company
22 subsequently became aware of this, it immediately brought it to the attention of

1 its insurance agent, and sought a refund of the premiums previously paid under
2 the policy that were related to the coverage of the water assets.

3
4 **Q. Did the insurance company credit Water and Sewer for these amounts?**

5 Yes. By a letter dated April 24, 2012, the insurance agent transmitted
6 endorsements to the existing commercial package policy amending the coverage
7 to exclude the water assets and indicating that the premium payments
8 associated with this coverage were being returned. A copy of the letter and the
9 endorsements are attached to my testimony as Exhibit KNR-Reb-3. As indicated
10 by the transmittal letter, the premium refund for the water asset coverage in place
11 at the end of the test year was \$3,048.

12
13 **Q. In light of this new development, how should the allowance for insurance**
14 **expense be calculated?**

15 A. First, the Staff's disallowance of one-half of the annualized premium for the
16 pollution policy should be reversed because the pollution coverage
17 unquestionably relates solely to sewer facilities of Water and Sewer. Although
18 RFRA was subsequently added as a named insured, the resulting liability
19 coverage for RFRA did not increase the cost of the premiums. Thus, the entire
20 adjusted annual premium of \$5,199.36 for pollution insurance should be included
21 as an allowable expense.

1 Second, the cost of the premium for the coverage of the water assets should be
2 eliminated in its entirety, thereby reducing the allowance for the premiums
3 associated with the commercial package policy by \$3,048, and leaving
4 \$10,109.04 as the appropriate adjusted cost of the commercial package policy.
5

6 Finally, if it is determined that the General Liability Coverage for RFRA
7 constitutes a benefit to RFRA notwithstanding that the inclusion of RFRA as a
8 named insured did not add to the cost of the premiums paid by Water and Sewer,
9 the \$1,347 premium for the General Liability Coverage should be allocated
10 between the two companies, resulting in the inclusion of one-half of this amount,
11 or \$673.50, as an allowable expense.
12

13 These calculations produce a total annual allowance for insurance expense of
14 \$14,634.90 ($\$5199.36 + \$10,109.04 - \$673.50 = \$14,634.90$), as opposed to the
15 \$9,178.20 allowance recommended by Staff in the Staff Report. The impact of
16 this change in allowable expenses must also be flowed through to the calculation
17 of the working capital allowance.
18

19 **Q. Does this conclude your rebuttal testimony?**

20 **A. Yes.**

EXHIBIT KNR-Reb-4



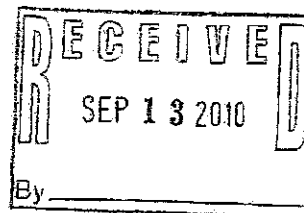
Wells Fargo Insurance Services USA, Inc.
The Galleria and Tower at Erieview
1301 East 9th Street, Suite 3800
Cleveland, OH 44114-1874

Tel: (216) 241-4344

September 13, 2010

Randy Kertesz
Water & Sewer LLC
3439 W Brainard Road
Woodmere, OH 44122

Re: Policy Number: PHPK592803
06/30/2010 to 06/30/2013
Philadelphia Insurance Company
Environmental Liability



Dear Randy:

We are pleased to enclose your new three-year insurance policy, which replaced the expired American Safety Insurance policy. We have checked the policy carefully and there appears to be quite a few errors regarding mailing and location addresses. We ordered the endorsements to make the corrections, which we received. I have attached them to the back of your policy. We recommend that you also review the policy, and notify us of any discrepancies you may find or questions you may have.

This is a Direct Bill policy, so the insurance company will be billing you directly (25% down with nine monthly installments the first year), and they should receive your payments by the due dates to avoid any cancellation or lapse in coverage. You will not receive any invoices from us.

Should you have any questions regarding your coverage, or have any changes, please call me at 216-902-5140. Thank you for this opportunity to serve your insurance needs.

Sincerely,

Maureen K. Mandato, AAI
Account Executive

MKM/bab

Enclosure

Together we'll go far



EXHIBIT KNR-Reb-5

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED SCHEDULE

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

It is hereby agreed that, solely with respect to your insured location specified, the following individual(s), entity(ies) or organization(s) are scheduled as additional insured(s). The additional insured shall have coverage under this policy, but solely for the additional insured's liability arising out of the named insured's ownership, use, maintenance or operation of your insured location. The additional insured shall not be afforded any coverage under this policy for any claim based upon or arising out of the negligence, strict liability or acts, errors or omissions of such additional insured.

Additional Insured/s	Your Insured Location
Richfield Furnace Run Associates	3439 West Brainard, Ste 260, Woodmere, OH 44122

All other policy terms and conditions remain unchanged.

Wells Fargo Insurance Services

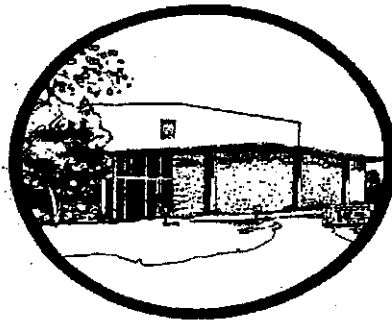
YOUR INSURANCE POLICY
Property & Casualty Insurance Program

Cepl-4

Together we'll go far



Commercial Insurance Coverage Policy



THIS POLICY HAS BEEN
ESPECIALLY DESIGNED

FOR:

*WATER & SEWER LLC;
RICHFIELD FURNACE RUN
ASSOCIATES*

BY:

WELLS FARGO INS SVCS OF OH LLC

THROUGH:

WESTFIELD INSURANCE COMPANY

Westfield Companies

INSURANCE SINCE 1848

P.O. Box 5001, Westfield Center, Ohio 44251-5001

ADVISORY NOTICE TO POLICYHOLDERS

This is a summary of the major changes in your Commercial Automobile Coverages. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your declaration page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, THE PROVISIONS OF THIS POLICY SHALL PREVAIL.

PLEASE READ YOUR POLICY, AND THE ENDORSEMENTS ATTACHED TO YOUR POLICY, CAREFULLY.

BROADENINGS OF COVERAGE - POLICY FORMS

CA 00 01 - Business Auto Coverage Form
CA 00 05 - Garage Coverage Form
CA 00 10 - Business Auto Physical Damage Coverage Form
CA 00 12 - Truckers Coverage Form
CA 00 20 - Motor Carrier Coverage Form

- Coverage for transportation expenses and loss of use expenses under Physical Damage Coverage are increased from \$15 per day/\$450 maximum to \$20 per day/\$600 maximum
- Coverage for covered pollution cost or expense is broadened to include any cost or expense arising out of a statutory or regulatory requirement.

CA 00 05 - Garage Coverage Form

- The pollution exclusion for Other Than Covered Autos has been revised to provide an exception for bodily injury sustained within a building caused by building heating equipment.
- The pollution exclusion in these coverage forms is also being revised to provide an exception for bodily injury sustained within a building and caused by the release of gases, fumes, or vapors from materials brought into that building in connection with operations as a contractor being performed by or on behalf of any insured.

CLARIFICATIONS IN COVERAGE AND OTHER EDITORIAL REVISIONS - COVERAGE FORMS

All Commercial Auto Coverage Forms contain minor editorial revisions to provide for consistency among policies. Additionally, these coverage forms have been revised to include other various revisions which serve to clarify coverage. The changes to each coverage form are described below:

CA 00 01 - Business Auto Coverage Form
CA 00 05 - Garage Coverage Form
CA 00 10 - Business Auto Physical Damage Coverage Form
CA 00 12 - Truckers Coverage Form
CA 00 20 - Motor Carrier Coverage Form

- The Limits of Insurance provisions in the Physical Damage Coverage section have been revised to clarify the intent that loss payment for repair or replacement does not include any payment for betterment, and that adjustments will be made for depreciation and physical condition in determining actual cash value in the event of a total loss. (Not applicable in all states.)
- We have introduced a Diminution In Value exclusion to the Physical Damage Coverage to clarify that the Coverage Forms do not provide for payment of any loss in market value, as loss in market values is not a component of direct and accidental loss or damage as provided in the policy's definition of "loss". (Not applicable in all states.)
- All of the coverage forms have been revised to incorporate, where appropriate and with updated amounts for transportation and loss of use expenses, the provisions of mandatory endorsements CA 00 22 - Changes in Commercial Auto Coverage Forms which has been withdrawn.

ADVISORY NOTICE TO POLICYHOLDERS COMMERCIAL PROPERTY MULTISTATE

This is a summary of the major changes in your Commercial Property insurance. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THIS POLICY SHALL PREVAIL.**

The areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to form and endorsement numbers; **however, not all forms and endorsements are included in a particular policy.**

PROPERTY DAMAGE AND RELATED COVERAGE FORMS

1. Broadenings In Coverage

- **Outdoor signs**

In form **CP 00 20**, the Limit of Insurance for signs attached to the building is increased from \$1,000 per sign to \$2,500 per sign in any one occurrence.

In forms **CP 00 10**, **CP 00 17** and **CP 00 18** the Limit of Insurance for attached outdoor signs is increased from \$1,000 to \$2,500 per sign in any one occurrence. The Limit of Insurance for detached outdoor signs is increased from \$1,000 per-occurrence (in total) to \$2,500 per sign in any one occurrence. Further, coverage for detached outdoor signs is broadened to include all causes of loss otherwise covered under the applicable Causes of Loss form.

- **Fire Department Service Charge (CP 00 10, CP 00 17, CP 00 18, CP 00 20 and CP 00 80)**

The Fire Department Service Charge Additional Coverage is revised to enable purchase of a higher limit of coverage. This is a new coverage option which broadens a policy to which it applies.

- **Party Walls (CP 00 10, CP 00 17, and CP 00 20)**

Potential broadening of coverage: As revised, the above captioned forms identify the exposure (party walls) and convey loss adjusting procedures for it. Under this insurance, loss payment relating to a party wall reflects the insured's partial interest in that wall. However, if the owner of the adjoining building elects not to repair or replace that building (and the building insured under this insurance is being repaired or replaced), this insurance will pay the full value of the party wall subject to all other applicable policy provisions.

2. Other Changes

- **Additional Coverages - Various**

In forms **CP 00 10** and **CP 00 17**, revisions are made to reinforce that the amount of coverage for Electronic Data and Increased Cost of Construction Additional Coverages applies in addition to the Limits of Insurance for any other coverages under these forms.

In form **CP 00 18**, revisions are made to reinforce that the amount of coverage for Electronic Data applies in addition to the Limits of Insurance for any other coverages under these forms.

Forms **CP 00 40** and **CP 00 70** have been revised to make it more explicit that the amount of coverage under the Supplementary Payments Additional Coverage applies in addition to the Limit of Insurance under these forms.

BUSINESS INTERRUPTION COVERAGE FORMS

1. Broadenings In Coverage

- **Civil Authority Additional Coverage (CP 00 30, CP 00 32, CP 00 50)**

The basic coverage period for the Civil Authority Additional Coverage is increased from three weeks to four weeks.

If endorsement CP 15 32 was and is used to increase the coverage period, there may be no actual change in the coverage period under a particular policy.

2. Other Changes

■ **Business Income - Landlord As Additional Insured (Rental Value)**

Endorsement **CP 15 03**, Business Income - Landlord As Additional Insured (Rental Value) provides coverage for loss of rental income for a landlord (the Additional Insured) under a tenant's policy. The amount of any payment made to the Additional Insured under this endorsement will be deducted from the Named Insured's business income loss.

■ **Additional Insured and Loss Payee (Building Owner)**

Endorsement **CP 12 19**, Additional Insured - Building Owner, enables adding the building owner as an additional named insured under a tenant's Building Coverage.

Endorsement **CP 12 18**, Loss Payable Provisions, is revised to add an option, Building Owner Loss Payable, to identify the building owner and recognize that entity as a loss payee.

■ **Building Glass Under Tenant's Policy**

Endorsement **CP 14 70**, Building Glass - Tenant's Policy, is introduced to enable coverage of building glass under a tenant's policy that does not otherwise cover the building. Coverage, if any, was previously identified by means of Declarations entry.

■ **Windstorm Or Hail Percentage Deductible Endorsement CP 03 21**

The following editorial changes are made: The text of the endorsement no longer includes language pertaining to other causes or events that contribute concurrently or in any sequence to the loss, because the underlying policy addresses that concept. Language is added to make it more explicit that this endorsement does not affect the impact of the policy's Water Exclusion or any other exclusion in the policy, and does not affect the application of a Flood Deductible if the policy (or another policy) provides coverage for Flood.

■ **Causes of Loss Exclusion Endorsements (CP 10 54 and CP 10 56)**

Under **CP 10 54**, a statement is added to reinforce the applicability of underlying policy exclusions.

Under **CP 10 56**, exclusionary language concerning seepage or leakage is added to conform to the provision in the underlying policy, with no change in coverage.

■ **Dependent Properties - Time Element (CP 15 08, CP 15 09, CP 15 34)**

The revised description of Miscellaneous Locations makes it explicit that highways and other transportation conduits are not considered to be Miscellaneous Locations.

■ **Electrical Apparatus Endorsement**

Endorsement **CP 04 10** is revised to reflect the changes to the Artificially Generated Electrical Current exclusion in the Causes of Loss forms.

■ **Utility Services Coverage Endorsements (CP 04 17, CP 15 45)**

These endorsements are revised to remove the qualification that the utility service property be located off the described premises (or outside a covered building, in the case of time element). With respect to a policy that was and is endorsed to cover utility services, there is no change in coverage. The revision to the coverage endorsements simply recognizes the revision to the underlying exclusion.

■ **Functional Replacement Cost Endorsement CP 04 38**

The section of the endorsement that addresses exclusion of pollution under Ordinance Or Law coverage is revised to include reference to fungus and other contaminants and to follow similar provisions of the Increased Cost of Construction Additional Coverage in the underlying policy.

ADVISORY NOTICE TO POLICYHOLDERS

CA 23 94 03 06 - Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure

CA 25 39 03 06 - Silica Or Silica-Related Exclusion For Covered Autos Exposure - Garage Coverages

When this endorsement is attached to your policy, coverage is excluded for bodily injury liability arising in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, silica or silica-related dust. In addition, coverage is excluded for property damage liability arising in whole or in part, out of actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, silica or silica-related dust. Coverage is also excluded for any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, silica or silica-related dust.

AD 87 26 04 06



**WESTFIELD
INSURANCE**

Sharing Knowledge. Building Trust.®

IMPORTANT NOTICE TO OUR POLICYHOLDERS

Westfield Insurance Fraud Hot-Line

PLEASE READ THIS IMPORTANT INFORMATION

- Fraudulent insurance claims cost us all money.
- Call us if you have information concerning a fraudulent insurance claim.
- All information will be kept confidential.
- Call and discuss your information with a trained investigator, or leave the information anonymously on a telephone answering machine.
- We can all help fight insurance fraud.

AD 8522 01-03

**Be a Fraud Buster
1-800-654-6482**

Detach and retain information below for future use.



**Fraud Hot-Line
1-800-654-6482**



**Westfield Center, Ohio 44251
www.westfieldgrp.com**



**Fraud Hot-Line
1-800-654-6482**



**Westfield Center, Ohio 44251
www.westfieldgrp.com**

THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE and PREMIUM

On November 26, 2002, the Terrorism Risk Insurance Act of 2002 (hereafter the "Act") was signed into law by the President. The Act, as amended in 2007, defines an "act of terrorism" in Section 102(1) to mean any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States (1) to be an act of terrorism; (2) to be a violent act or an act that is dangerous to human life, property, or infrastructure; (3) to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (4) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Coverage for acts of terrorism as defined by the Act, as amended, is included in your current policy and/or in any policy quoted for you. You should know that under your existing coverage losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by federal law. Under this formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. **You should also know that the Act, as amended, contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.** Under the Act, as amended, this formula is currently effective through December 31, 2014.

The actual insurance coverage provided by your policy for acts of terrorism as defined in the Act, as amended, as is true for all coverages, is limited by the terms, conditions, exclusions, limits, other provisions of your policy, any endorsements to the policy and generally applicable rules of law.

PREMIUM CHARGED

During your current policy period, the portion, if any, of your premium that is attributable to coverage for acts of terrorism as defined in the Act is \$_____ (refer to Common Policy Declarations if blank).

If you do not desire the coverage for acts of terrorism as defined in the Act, as amended, you may reject the coverage and instruct the insurance company to remove it and refund the premium described above. **To reject the coverage, you must:**

- 1) advise the insurance company by letter (on your company letterhead),
- 2) signed by the owner, representative, or properly designated official of the named insured.

The insurance company must receive your letter within 60 days from the date shown at the bottom right side of the forms titled "Common Policy Declarations". Please refer to "Common Policy Declarations" for the mailing address of the insurance company.

If your policy premium is \$500, that may represent a minimum premium. In that case, the portion that is attributable to acts of terrorism as defined in the Act, as amended, may be included within that minimum and your total premium will not be reduced if you reject coverage for acts of terrorism. The minimum premium will still apply.

Should you have any question regarding this notice, please contact your insurance agent.

IMPORTANT -- PREMIUM AUDIT NOTICE

Westfield Companies welcomes the opportunity to service your insurance needs. The following information outlines the company's requirements for auditing your accounting records.

Your particular type of business has a policy premium that is based on estimated exposures at the time this policy was issued. Since the exposures that are used to rate your policy fluctuate during the policy year, your final premium cannot be determined until after the expiration date of the policy term.

An accurate Premium Audit is a benefit to you and your business. We recommend the person(s) in charge of keeping your financial records (e.g., Payroll; Gross Sales; Total Cost) be aware of insurance auditor needs. Records that are accurate and properly maintained allow us to complete the audit and to apply, when applicable, certain premium saving rules.

WHO WILL MAKE THE AUDIT?

A Premium Auditor will contact you for an appointment if our rules require a physical audit. If the necessary information can be obtained without a physical audit, we will conduct a telephone audit or mail to you the forms to complete.

WHAT RECORDS WILL BE NEEDED?

The Premium Auditor will examine and audit all of your records that relate to your policy. The records needed will vary depending upon the type of coverage you have. In most cases, the auditor will be able to obtain the necessary audit data from two or more of the following records:

Payroll Journals with monthly/quarterly totals	Individual Earning Cards with monthly/quarterly totals
Quarterly Tax Reports for Federal/State	Certificates of Insurance for sub-contractors
General Ledgers/Income/Sales Journals	

In the course of the audit, the Auditor may ask some questions about your records and personally observe the various aspects of your business operations. This will assist the Auditor in properly classifying your operations and employees.

HOW SHOULD YOUR RECORDS BE KEPT:

Payroll: Many of the premiums for your General Liability insurance are based on payroll which is defined as remuneration. Remuneration means money or substitutes for money. Payroll includes:

Wages	Bonuses	Holiday Pay	Sick Pay
Commissions	Overtime Pay	Vacation Pay	Payment for piece work

Overtime: The amount paid in excess of straight time pay can be deducted if the excess can be verified by your records. Your records must show overtime separately by employee.

Division of Payroll: Division of an individual employee's payroll to more than one classification is not allowed. Exception: For construction or erection operations, the payroll of an employee may be allocated to each type of work performed if **proper records are kept**. Payroll **cannot** be divided between construction and office or sales classifications.

Gross Sales: Another premium base for General Liability insurance is gross sales. This means the gross amount charged by you to others for all goods or products, sold or distributed and operations performed by you for others.

This information is provided to you as assistance for proper record-keeping requirements. Other insurance companies may differ in their requirements.

ADVISORY NOTICE TO POLICYHOLDERS

CG2186 - EXCLUSION - EXTERIOR INSULATION AND FINISH SYSTEMS
CU2142 - EXCLUSION - EXTERIOR INSULATION AND FINISH SYSTEMS

Your renewal policy now contains a specific exclusion relating to *Exterior Insulating Finishing Systems Work (EIFS)*.

If you have any questions regarding the exclusion contained in this policy and how it affects your coverage, please contact your Independent Insurance Agent representing Westfield Insurance.

Thank you for allowing Westfield Insurance the opportunity to provide your insurance protection.

AD 87 31 12 06

ADVISORY NOTICE TO POLICYHOLDERS

If your policy contains the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART - (CU 2127 - FUNGI OR BACTERIA EXCLUSION)

- Coverage is restricted to exclude bodily injury or property damage arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure. This exclusion applies whether or not any other cause, event, material or product contributed in any sequence to the injury or damage.
- Coverage is clarified to exclude personal and advertising injury arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure. This exclusion applies whether or not any other cause, event, material or product contributed in any sequence to the injury.
- Coverage is restricted to exclude clean-up costs associated with fungi or bacteria.

The exclusion does not apply to fungi or bacteria intended for consumption, such as mushrooms.

If you have any questions regarding these endorsements contained in this policy and how it affects your coverage, please contact your Independent Insurance Agent representing Westfield Group.

Thank you for allowing Westfield Group the opportunity to provide your insurance protection.

AD 84 79 12 06



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL COMMON POLICY DECLARATIONS

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy
Period

From
To

07/09/10
07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

Business: SEWER & WATER SYSTEM

Named Insured is: Corporation

In return for the payment of the premium, and subject to all 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

COMMERCIAL PROPERTY COVERAGE PART		Included
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$	1,347.00
COMMERCIAL AUTO COVERAGE PART	\$	111.00
COMMERCIAL INLAND MARINE COVERAGE PART	\$	4,191.00
COMMERCIAL UMBRELLA COVERAGE PART	\$	7,500.00
TERRORISM INSURANCE COVERAGE	\$	8.00
Policy Annual Premium	\$	13,157.00

Total Advance Annual Policy Premium \$ 13,157.00

The above is a summary of your coverages. For more detail,
please refer to the individual coverage parts inside your policy.

Forms and Endorsements applicable to all coverage parts:

IL0019 0488*, IL0017 1198*, ID7004 0893*, IL0244 0907*, IL0003 0908*.

COUNTERSIGNED:

6-30-10

Date

BY

Margaret K. Mandato

Authorized Representative



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

RENEWAL
COMMON POLICY DECLARATIONS
(Continued)

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy
Period

From
To

07/09/10
07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

** SCHEDULE OF NAMED INSURED **

WATER & SEWER LLC;
RICHFIELD FURNACE RUN
ASSOCIATES
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

- A.** With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the **Cancellation** Common Policy Condition is replaced by the following:
1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
 2. We may cancel this policy only for one or more of the following reasons, except as provided in Paragraph 6. below.
 - a. Nonpayment of premium;
 - b. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
 - c. Discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
 - d. The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
 - e. Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
 - f. Failure of an insured to correct material violations of safety codes; or
 - g. A determination by the Superintendent of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.
 3. We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.
 4. We will mail the 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 a reason stated in 2.b. through 2.g. above.
 5. a. The notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 - b. The notice will also contain the date of the notice and the policy number, and will state the reason for cancellation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

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

The following is added:

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

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 non-payment 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.

PROPERTY COVERAGE

PROPERTY COVERAGE

PROPERTY COVERAGE



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL COMMERCIAL PROPERTY DECLARATIONS

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY			
NAMED INSURED AND MAILING ADDRESS		AGENCY	34-01234	PROD.	000
WATER & SEWER LLC; SEE SCHEDULE OF NAMED INSURED 3439 W BRAINARD RD SUITE 260 WOODMERE OH 44122		WELLS FARGO INS SVCS OF OH LLC 1301 E NINTH ST STE 3800 CLEVELAND OH 44114-1824 TELEPHONE 216-241-4344			
Policy Number: CWP 4 935 780		35	WIC Account Number: 3409180758		Q

Policy Period From 07/09/10
To 07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

DESCRIPTION OF PREMISES

Loc Bldg	Address, City & State	Construction	Occupancy
001 001	3400 WEST STREETSBOROUGH RICHFIELD, OH 44280	Joisted Masonry	TREATMENT PLANT
001 002	3400 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	WATER WELL IN GROUND 5"
001 003	3400 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	WATER WELL IN GROUND 12"
001 004	3400 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	4-36" GREENSAND IRON FILTERS
001 005	3400 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	2-24" SOFTNERS
001 006	3400 STREETSBOROUGH RICHFIELD, OH 44280	N/A	2-10,000 GAL WATER TANKS
001 007	3400 STREETSBOROUGH RICHFIELD, OH 44280	N/A	2-8' DISCHARGE HI SERV PUMPS
001 008	3400 STREETSBOROUGH RICHFIELD, OH 44280	N/A	FENCE
002 001	3510 WEST STREETSBOROUGH RICHFIELD, OH 44280	Joisted Masonry	TREATMENT PLANT
002 002	3510 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	FENCE
002 003	3510 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	FILTER BLD W/FILTRATION SYS
002 004	3510 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	EFFLUENT CHAMBER (CONCRETE)
002 005	3510 WEST STREETSBOROUGH RICHFIELD, OH 44280	N/A	AERATION TANK ABOVE GROUND

COVERAGES PROVIDED - Insurance at the described premises applies only for coverages for which a limit of insurance is shown. OPTIONAL COVERAGES applicable only when entries are made in the schedules below:

Loc Bldg	Coverage	Coins	Infl. Guard	Repl. Cost	Cause of Loss Form	Limit of Insurance
	Blanket Building & Pers Prop	100%	N/A	See Below	PRO	\$ 7,807,500
	Blanket Business Income	100%	N/A	See Below	PRO	\$ 100,000
001 001	Building	Blkt	N/A	Yes	PRO	Blanket
001 001	Business Personal Property	Blkt	N/A	Yes	PRO	Blanket
001 001	Bus Income incl Rental Value	Blkt	N/A	N/A	PRO	Blanket
001 002	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
001 003	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
001 004	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
001 005	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
001 006	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
001 007	Metal Water/Sewage Lift Pump	Blkt	N/A	Yes	PRO	Blanket
001 008	Metal Mas Fences and Arbors	Blkt	N/A	Yes	PRO	Blanket
002 001	Building	Blkt	N/A	Yes	PRO	Blanket
002 001	Business Personal Property	Blkt	N/A	Yes	PRO	Blanket
002 001	Bus Income incl Rental Value	Blkt	N/A	N/A	PRO	Blanket
002 002	Metal Mas Fences and Arbors	Blkt	N/A	Yes	PRO	Blanket
002 003	Masonry Tanks Above Ground	Blkt	N/A	Yes	PRO	Blanket
002 004	Tanks Below Ground	Blkt	N/A	Yes	PRO	Blanket
002 005	Steel Tanks Above Ground	Blkt	N/A	Yes	PRO	Blanket



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL
COMMERCIAL PROPERTY DECLARATIONS
(Continued)

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY			
NAMED INSURED AND MAILING ADDRESS		AGENCY	34-01234	PROD.	000
WATER & SEWER LLC; SEE SCHEDULE OF NAMED INSURED 3439 W BRAINARD RD SUITE 260 WOODMERE OH 44122		WELLS FARGO INS SVCS OF OH LLC 1301 E NINTH ST STE 3800 CLEVELAND OH 44114-1824 TELEPHONE 216-241-4344			
Policy Number: CWP 4 935 780		35	WIC Account Number: 3409180758		Q
Policy Period	From 07/09/10 To 07/09/11	at 12:01 A.M. Standard Time at your mailing address shown above.			

OPTIONAL COVERAGES

Loc Bldg Applicable to

Option Description

ALL ALL Blanket Building & Pers Prop Agreed value \$ 7,807,500 - expires 07/09/11

Total Advance Annual Property Premium		Included
Deductible is	See Property Output Declarations	
Forms and Endorsements applicable to this coverage part:		
CP0030	0607*, CP0090	0788*, CM7128
CP7000	0987*, CP0140	0706*, CP1032
CP0010	0607*, CP0123	0408*,
		0692*, CM7126
		0803*, IL0952
		0308*,
		0808*, CP1556
		0607*, AC132
		0190*,

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and 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.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section G., **Definitions**.

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- (1) Business Income including "Rental Value".
- (2) Business Income other than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle,

the described premises include the area within 100 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (a) The portion of the building which you rent, lease or occupy; and
- (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies to that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue "operations".

- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

- (a) Used in the construction, alterations or additions; or
- (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

- (1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 30 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in

the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenant-ability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 30 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation - Interruption of Computer Operations.

- (1) This policy expires;
- (2) 30 days expire after you acquire or begin to construct the property; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and newly Acquired locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

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

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense 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.

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 amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 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.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) 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.
- (6) 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.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

- b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1):** Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2):** Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3):** Multiply the total amount of loss by the figure determined in Step (2):

We will pay the amount determined in Step (3); or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight - outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All ordinary payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

EXAMPLE #1 (UNDERINSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been \$400,000

The Coinsurance percentage is 50%

The Limit of Insurance is \$150,000

The amount of loss is \$ 80,000

Step 1: $\$400,000 \times 50\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$150,000 \div \$200,000 = .75$

Step 3: $\$ 80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

EXAMPLE #2 (ADEQUATE INSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been \$400,000

The Coinsurance percentage is 50%

The Limit of Insurance is \$200,000

The amount of loss is \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

4. Extended Period Of Indemnity

Under Paragraph A.5.c., Extended Business Income, the number 30 in Subparagraphs (1)(b) and (2) (b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:

- a. Your business activities occurring at the described premises; and
- b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:

- a. Begins:

- (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

- b. Ends on the earlier of:

- (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

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

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or

- (2) 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".

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

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

5. "Rental Value" means Business Income that consists of:

- a. Net Income (Net Profit of Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
- b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be by your obligations.

6. "Suspension" means:

- a. The slowdown or cessation of your business activities; or
- b. That a part of all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. 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.

B. 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 breach of condition does not exist.

C. 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.

D. 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 of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. 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.

F. NO BENEFIT TO BAILEE

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

G. 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 is 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.

H. 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 territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. 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:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

B. Application Of Exclusions

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

- 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 microorganism that induces or is capable of inducing physical distress, illness or disease.
- However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 2. Additional Coverage - Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** The exclusion in Paragraph **B.** replaces the **Water** Exclusion in this Coverage Part or Policy.
- B. Water**
1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
 2. Mudslide or mudflow;
 3. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
 4. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings; or
 5. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1., 3. or 4., or material carried or otherwise moved by mudslide or mudflow.
- This exclusion applies regardless of whether any of the above, in Paragraphs 1. through 5., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.
- But if any of the above, in Paragraphs 1. through 5., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS INCOME CHANGES- BEGINNING OF THE PERIOD OF RESTORATION

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

SCHEDULE

Select Either A, or B	
A	<input type="checkbox"/> 72 Hour Time Period Is Replaced By 24 Hours
B	<input checked="" type="checkbox"/> 72 Hour Time Period Is Eliminated
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. If the Schedule indicates that the 72-hour time period is replaced by 24 hours, then;

1. The 72-hour time period in the definition of "period of restoration" is replaced by 24 hours. Therefore, the period of restoration for Business Income Coverage begins 24 hours after the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is replaced by 24 hours. Therefore, coverage under the Additional Coverage - Civil Authority begins 24 hours after the time of action of civil authority, subject to all other provisions of the Additional Coverage.

B. If the Schedule indicates that the 72-hour time period is eliminated then;

1. The 72-hour time period in the definition of "period of restoration" is deleted. Therefore, the period of restoration for Business Income Coverage begins at the time of direct physical loss or damage, subject to all other provisions of the definition of "period of restoration"; and
2. The 72-hour time period in the Civil Authority Additional Coverage is deleted. Therefore, coverage under the Additional Coverage - Civil Authority begins at the time of action of civil authority, subject to all other provisions of that Additional Coverage.

POLICY NUMBER: CWP 4935780

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
OFF PREMISE POWER INTERRUPTION

This endorsement modifies insurance provided under the following:

PROPERTY OUTPUT CAUSES OF LOSS

PARAGRAPH 5.E.OFF PREMISES POWER INTERRUPTION IS DELETED AND REPLACED BY THE FOLLOWING:

E. OFF PREMISES POWER INTERRUPTION

1. YOU MAY EXTEND THE INSURANCE PROVIDED FOR COVERED PROPERTY TO APPLY TO LOSS OR DAMAGE CAUSED BY INTERRUPTION OF ELECTRIC POWER SUPPLY SERVICES, COMMUNICATIONS SERVICES, OR NATURAL GAS SUPPLY SERVICES TO THE DESCRIBED PREMISES. THE INTERRUPTION MUST RESULT FROM DIRECT PHYSICAL LOSS OR DAMAGE BY A COVERED CAUSE OF LOSS TO THE FOLLOWING PROPERTY NOT ON THE DESCRIBED PREMISES:

- (1) UTILITY GENERATING PLANTS;
- (2) SWITCHING STATIONS OR SUBSTATIONS;
- (3) TRANSFORMERS; AND
- (4) TRANSMISSION LINES.

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 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.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H., **Definitions**.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

tures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.**, Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary struc-

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and

- q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops;
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), 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) Debris removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

- (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example #1

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 50,000
Amount of Loss Payable	\$ 49,500
	(\$50,000 - \$500)
Debris Removal Expense	\$ 10,000
Debris Removal Expense Payable	\$ 10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

(3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

(a) You were required to comply with before the loss, even when the building was undamaged; and

(b) You failed to comply with.

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

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

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

(6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of: \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

(i) Until the property is actually repaired or replaced, at the same or another premises; and

(ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

(9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

(b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, - Electronic Data.

(2) If the Causes of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

(3) If the Causes of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that Form.

B. Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to the building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost of construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (herein-after referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

EXAMPLE #1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$250
Limit of Insurance - Building #1:	\$60,000
Limit of Insurance - Building #2:	\$80,000
Loss to Building #1:	\$60,100
Loss to Building #2:	\$90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of In-

surance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

\$60,100
- 250
\$59,850 Loss Payable - Building #1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable: \$59,850 + \$80,000 = \$139,850

EXAMPLE #2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1: \$ 70,000
(exceeds Limit of Insurance plus Deductible)
Loss to Building #2: \$ 90,000
(exceeds Limit of Insurance plus Deductible)
Loss Payable - Building #1: \$ 60,000
(Limit of Insurance)
Loss Payable - Building #2: \$ 80,000
(Limit of Insurance)
Total amount of loss payable: \$140,000

E. Loss Conditions

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

1. Abandonment

There can be no abandonment of any property to us.

2. 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. 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. A decision agreed to by any two will be binding. Each party will;

- a. Pay its chosen appraiser; and

- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to

the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

- (2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d., e. and f. below.

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

EXAMPLE #3

When: The value of the property is:

Building at Location #1	\$ 75,000
Building at Location #2	\$100,000
Personal Property at Location #2	<u>\$ 75,000</u>
	<u>\$250,000</u>

The Coinsurance percentage for it is 90%

The Limit of Insurance for Buildings and Personal Property at Location #1 and #2 is \$180,000

The Deductible is \$ 1,000

The amount of loss is:

Building at Location #2	\$ 30,000
Personal Property at Location #2.	<u>\$ 20,000</u>
	<u>\$ 50,000</u>

Step (1): $\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$50,000 \times .80 = \$40,000$

Step (4): $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- The term mortgageholder includes trustee.
- We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclo-

sure or similar action on the building or structure.

- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (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 mortgageholder.

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

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments, will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
 - (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
- (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.
- If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.
- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

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

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**

A. Paragraphs c. and g. of the Loss Payment Loss Condition are replaced by the following, except as provided in Paragraph B.:

- c. We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- g. Provided you complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
 - (a) An appraisal award has been made; or
 - (b) We have reached an agreement with you on the amount of loss that was in dispute.

B. Paragraph A. does not apply to the Loss Payment Loss Condition in the following forms:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form;

3. Extra Expense Coverage Form;
4. Leasehold Interest Coverage Form; and
5. Mortgageholders Errors And Omissions Coverage Form.

In the forms listed above, the **Loss Payment Loss Condition** is replaced by the following:

LOSS PAYMENT

- a. We will give you notice, within 21 days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

- b. Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:

- (1) 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- (2) Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and

- (a) An appraisal award has been made; or

- (b) We have reached an agreement with you on the amount of loss that was in dispute.

LIABILITY COVERAGE

LIABILITY COVERAGE

LIABILITY COVERAGE



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

RENEWAL GENERAL LIABILITY DECLARATIONS

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy From 07/09/10
Period To 07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

LIMITS OF INSURANCE -

General Aggregate Limit (Other Than Products/Completed Operations)	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
Personal & Advertising Injury Limit (Per Person Or Organization)	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage to Premises Rented to You Limit (Any One Premises)	\$100,000
Medical Expense Limit (Any One Person)	\$5,000

TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM \$1,347.00

THIS POLICY CONTAINS A TOTAL POLLUTION EXCLUSION

Forms And Endorsements Applicable To This Coverage Part:

CG2141 1185*, CG2149 0999*, CG2167 1204*, CG0001 1207*, IL0021 0908*,
CG7000 1298*, CG2503 0509*, CG2504A 0509*, CG2147 1207*, CG2426 0704*,
CG0068 0509*, CG2170 0108*, IL7013 1206*, CG2186 1204*.



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

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RENEWAL GENERAL LIABILITY DECLARATIONS (Continued)

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy Period

From To

07/09/10
07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

Location Of All Premises Owned By, Rented To Or Controlled By The Named Insured
Are The Same As The Mailing Address Of The Policy Declarations Unless Otherwise
Indicated.

GENERAL LIABILITY SCHEDULE

PREMIUM BASIS LEGEND -

S = GROSS PER \$1,000
SALES
P = PAYROLL PER \$1,000
O = OTHERS PER \$1,000

A = AREA PER 1,000 SQ. FT.
C = TOTAL COST PER \$1,000
M = ADMISSIONS PER 1,000

U = UNITS PER UNIT
T = SEE CLASSIFICATION
NOTES

RATE LEGEND -

PREM/OP = PREMISES AND OPERATIONS
PROD = PRODUCTS AND COMPLETED OPERATIONS
CMPOPS = COMPOSITE PREMISES AND OPERATIONS
CMPPRO = COMPOSITE PRODUCTS AND COMPLETED OPERATIONS
CMPCBN = COMPOSITE PREMISES/PRODUCTS COMPLETED OPERATIONS

MP = MINIMUM PREMIUM

CLASSIFICATION OHIO

CODE

PREMIUM BASIS

RATE

PREMIUM

3400 WEST STREETSBOROUGH
RICHFIELD OH 44280
VACANT LAND - OTHER THAN NOT-
FOR-PROFIT - INCLUDING PRODUCT
AND/OR COMPLETED OPERATIONS.
PRODUCTS-COMPLETED OPERATIONS
INCLUDED IN THIS
CLASSIFICATION ARE SUBJECT TO
THE GENERAL AGGREGATE LIMIT.

49451

T

125

PREM/OP

5.359

\$670

BUILDINGS OR PREMISES - BANK
OR OFFICE - MERCANTILE OR
MANUFACTURING (LESSOR'S RISK
ONLY) - OTHER THAN NOT-FOR-
PROFIT - INCLUDING PRODUCTS
AND/OR COMPLETED OPERATIONS.
PRODUCTS-COMPLETED OPERATIONS
INCLUDED IN THIS
CLASSIFICATION ARE SUBJECT TO
THE GENERAL AGGREGATE LIMIT.

61212

A

20,000

PREM/OP

15.589

\$312

CONTRACTORS - SUBCONTRACTED
WORK - OTHER THAN
CONSTRUCTION - RELATED WORK

91591

C

25,000

PREM/OP
PROD.

.667
1.541

\$17
\$39



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL GENERAL LIABILITY DECLARATIONS (Continued)

COMPANY PROVIDING COVERAGE		WESTFIELD INSURANCE COMPANY			
NAMED INSURED AND MAILING ADDRESS		AGENCY	34-01234	PROD.	000
WATER & SEWER LLC; SEE SCHEDULE OF NAMED INSURED 3439 W BRAINARD RD SUITE 260 WOODMERE OH 44122		WELLS FARGO INS SVCS OF OH LLC 1301 E NINTH ST STE 3800 CLEVELAND OH 44114-1824 TELEPHONE 216-241-4344			
Policy Number: CWP 4 935 780		35	WIC Account Number: 3409180758		Q
Policy Period	From 07/09/10 To 07/09/11	at 12:01 A.M. Standard Time at your mailing address shown above.			
CLASSIFICATION 3510 WEST STREETSBOROUGH RICHFIELD OH 44280 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR- PROFIT - INCLUDING PRODUCTS AND/OR COMPLETED OPERATIONS. PRODUCTS-COMPLETED OPERATIONS INCLUDED IN THIS CLASSIFICATION ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT.		CODE 61212	PREMIUM BASIS A 15,000	RATE PREM/OP 15.589	PREMIUM \$234
PREM/OP MP \$189 PROD MP \$114					
TOTAL					
TOTAL PREMIUM - PREMISES AND OPERATIONS		\$1,233			
TOTAL PREMIUM - PRODUCTS AND COMPLETED OPERATIONS		\$114			
TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM		\$1,347			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Personal and advertising injury" or which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:**

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

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;"

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work;" or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product;"
- (2) "Your work;" or
- (3) "Impaired property;"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution - Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or de-

fending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also in-

sureds, but only with respect to the conduct of your business.

- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may

be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work;"
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:

- (1) Goods or products made or sold by you in the territory described in Paragraph a. above; or

- (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 16. "Products-completed operations hazard":
 - a. Includes all "bodily injury" and "property damage" occurring away from premises

you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products - completed operations are subject to the General Aggregate Limit.
- 17. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Projects:

All Projects

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

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
 4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designated Location(s):**

All rented, owned and occupied locations other than construction projects.

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

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
- Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Location General Aggregate Limit.
 4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT - RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph 9. of the **Definitions** Section is replaced by the following:

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be im-

posed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion q. of Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - EXTERIOR INSULATION
AND FINISH SYSTEMS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
 2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
 2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
 3. A reinforced or unreinforced base coat;
 4. A finish coat providing surface texture to which color may be added; and
 5. Any flashing, caulking or sealant used with the system for any purpose.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - INTERCOMPANY PRODUCTS SUITS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This insurance does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard."

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

AUTO COVERAGE

AUTO COVERAGE

AUTO COVERAGE



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL BUSINESS AUTO COVERAGE DECLARATIONS

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

ITEM ONE-NAMED INSURED & MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy From 07/09/10
Period To 07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

ITEM TWO

SCHEDULE OF COVERAGES AND COVERED AUTOS

Each Of These Coverages Will Apply Only To Those "Autos" Shown As Covered "Autos".
"Autos" Are Shown As Covered "Autos" For A Particular Coverage By The Entry Of One
Or More Of The Symbols From The Covered Auto Section Of The Business Auto
Coverage Form Next To The Name Of The Coverage.

COVERAGES	COVERED AUTO SYMBOLS	LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
Liability	08 09	Bodily Injury and Property Damage \$1,000,000 Each Accident	\$111
TOTAL ADVANCE ANNUAL PREMIUM			\$111

Audit Period (If Applies) ☐ Annual ☐ Semi-Annual ☐ Quarterly ☐ Monthly

Forms And Endorsements Attached To This Coverage Form:

CA0001 0306*, CADS03 0306*, IL0021 0908*, CA2394 0306*.



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL BUSINESS AUTO COVERAGE DECLARATIONS (Continued)

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

ITEM ONE-NAMED INSURED & MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy
Period

From
To

07/09/10
07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

HIRED AUTO LIABILITY

STATE

ESTIMATED COST OF HIRE

RATE PER \$100 COST OF HIRE

PREMIUM

OH

IF ANY

.700

Cost Of Hire Means The Total Amount You Incur For The Hire Of Autos You Do Not Own (Not Including Autos You Borrow Or Rent From Your Partners Or Employees Or Their Family Members). Cost Of Hire Does Not Include Charges For Services Performed By Motor Carriers Of Property Or Passengers.

NON-OWNERSHIP LIABILITY

RATING BASIS-NUMBER OF EMPLOYEES

ESTIMATED NUMBER
OF EMPLOYEES

PREMIUM

0-25

\$111

TOTAL ADVANCE ANNUAL AUTO PREMIUM

\$111

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and 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.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos."

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject to No-Fault	Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Nonowned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured:"

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the ju-

risdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured."

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto;" or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured."

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants;" and
- (2) The "bodily injury," "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment."

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto;" and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government,

sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury," and "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident."

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. Coverage

- 1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto."

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

- 1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss;" or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 - 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto," our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss," either may demand an appraisal of the "loss." In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss." If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident," claim, "suit" or "loss," you must give us or our authorized representative prompt notice of the "accident" or "loss." Include:

- (1) How, when and where the "accident" or "loss" occurred;

4. No Benefit To Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract."

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due

date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada; and
- e. Anywhere in the world, if:

(1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident," the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage."

4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO MOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured;" or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material," "special nuclear material" or "by-product material."

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following exclusion is added to Paragraph **B. Exclusions of Section II - Liability Coverage** in the Business Auto, Motor Carrier and Truckers Coverage Forms and for "**Garage Operations**" - Covered "**Autos**" in the Garage Coverage Form:

SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE

This insurance does not apply to:

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

B. Additional Definitions

As used in this endorsement:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

COMMERCIAL INLAND MARINE
RENEWAL DECLARATIONS
PROPERTY OUTPUT COVERAGE

13

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy From 07/09/10
Period To 07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

Refer to the Commercial Property Declarations for Building and Contents
Coverages and Limits, other than those scheduled below.

COVERAGE EXTENSIONS AND INCREASED LIMITS OF INSURANCE

The Limits of Insurance for the Coverage Extensions provided under the
Property Output Causes of Loss Form are listed under A.5. Coverage Extensions
unless otherwise stated below.

REPORTING BASIS ☐

Rate Per \$100

☒ NON-REPORTING

\$.053

Deductible: \$ 5,000

Total Advance Annual
Property Output Coverage Premium \$ 4,191.00

Forms and Endorsements applicable to this coverage:
CM7128 0692*, CM7126 0803*.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY OUTPUT CAUSES OF LOSS FORM

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME COVERAGE FORMS

BUILDING AND PROPERTY COVERAGE FORM AMENDMENTS

In Section **A. COVERAGE**, the references to 100 feet are changed to read 1,000 feet in the following paragraphs:

- 1.a.(5) (b) Building;**
- 1.b. Business Personal Property; and**
- 5. Coverage Extensions**

Item 1. Covered Property of Section **A - COVERAGE** is amended as follows:

The following is amended to read:

- c. Personal Property of Others** that is in your care, custody or control.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

Item 2. **Property Not Covered** of Section **A - COVERAGE** is amended as follows:

The following are deleted:

- f.** The cost of excavations, grading, backfilling or filling;
- k.** 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.
- q.** The following property while outside of buildings:
 - (1)** Grain, hay, straw or other crops;
 - (2)** Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants, (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

The following item **i** is amended to read:

- i.** Property while waterborne or insured under import or export ocean marine policies.

The following is added:

- r.** Property that you have sold under a conditional sales agreement, trust agreement, installment payment or deferred payment plan after it has been accepted by your customer other than as provided by the Deferred Payments Additional Coverage;

Item 3. **Covered Causes Of Loss** of Section **A - COVERAGE** is amended to read as follows:

3. Covered Causes Of Loss

Covered causes of loss means RISKS OF DIRECT PHYSICAL LOSS to Covered Property except those causes of loss listed in the Exclusions.

Item 4. **Additional Coverages** of Section **A - COVERAGE** is amended to read as follows:

4. Additional Coverages

a. Collapse

We will pay for direct loss caused by or resulting from risks of direct physical loss involving collapse of all or part of a building or structure caused by one or more of the following:

- 1.** Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; all only as covered in this Coverage Part;
- 2.** Hidden decay;
- 3.** Hidden insect or vermin damage;
- 4.** Weight of people or personal property;

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable for debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

c. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

d. 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 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

e. Fire Protection Device

We will pay the cost to recharge or refill:

- a. Any fire protection devices when these devices have been discharged as a result of a covered Cause of Loss.

f. Pollutant Clean Up and Removal

We will pay your expense to extract "pollutants" from 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 the Covered Cause of Loss occurs.

The most we will pay for each location under this Additional Coverage is \$50,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

g. Lock Replacement

We will pay the cost to repair the door locks or tumblers of your described premises due to "theft" of your door keys.

The most we will pay under this Additional Coverage is \$1,000.

No deductible applies to this Additional Coverage.

"Theft" means any act of stealing.

"Theft" does not mean mysterious or unexplained disappearance of property.

h. Ordinance or Law Coverages

(1) Coverage for Loss to the Undamaged Portion of the Building

If a Covered Cause of Loss occurs to covered Building property, we will pay under **Coverage for Loss to the Undamaged Portion of the Building** for the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:

- (a) Requires the demolition of parts of the same property 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.

Coverage for Loss to the Undamaged Portion of the Building is included within the Limit of Insurance shown in the Declarations as applicable to the covered Building property and does not increase the Limit of Insurance.

(5) The most we will pay, for the total of all covered losses for **Demolition Cost** and **Increased Cost of Construction**, is \$100,000. Subject to this Limit of Insurance, the following loss payment provisions apply:

(a) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

(b) With respect to the Increased Cost of Construction:

1) We will not pay for the increased cost of construction:

a) Until the property is actually repaired or replaced, at the same or another premises; and

b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

(6) The terms of this endorsement apply separately to each building to which this endorsement applies.

(7) Under this endorsement we will not pay for loss due to any ordinance or law that:

(a) You were required to comply with before the loss, even if the building was undamaged; and

(b) You failed to comply with.

(8) 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".

i. Increased Cost Of Construction

(1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

(2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.

(3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

(a) You were required to comply with before the loss, even when the building was undamaged; and

(b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects

You may extend the insurance that applies to Your Business Personal Property to apply to Personal effects owned by you, your officers, your partners or your employees. This extension does not apply to loss or damage by theft.

The most we will pay for loss or damage under this Extension is \$50,000 at each described premises. We will not pay more than \$2,500 to any one person in any one loss. Our payment for loss of or

damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers and Records - Cost of Research

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace, restore or reproduce the lost or damaged valuable papers and records. The most we will pay under this Extension is \$50,000 at each premises schedule on the Declarations.

d. Accounts Receivable

You may extend the insurance that applies to your Business Personal Property to apply to:

(1) All sums due you from customers if you are not able to collect due to direct loss or damage to the records of the accounts receivable;

(2) Interest charged on a loan obtained by you to offset impaired collections of accounts receivable due to such direct loss or damage;

(3) Increased collection costs as a result of such direct loss or damage; or

(4) Other reasonable expenses that you incur to reestablish the records of your accounts receivable;

that results from Covered Causes of Loss to your records of accounts receivable while:

(1) On premises scheduled in the declarations;

(2) While being conveyed outside the premises; or

(3) While temporarily at other premises for any reason except storage.

The most we will pay under this Extension is \$50,000 at each described premises.

e. Off Premises Power Interruption

You may extend the insurance provided for Covered Property to apply to loss or damage caused by interruption of electric power supply services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

(1) Utility generating plants;

(2) Switching stations or substations;

(c) Other type system;

Designed to remove subsurface water from the foundation area.

The most we will pay for loss or damage under this Extension is \$25,000.

n. Non-Owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is in your care, custody or control at the premises described in Declarations; and
- (c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
- (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Item 6. Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot and Bacteria is added as follows:

6. Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

a. The coverage described in 6.b. and 6.f. only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

(1) A "specified cause of loss" other than fire or lightning; or

(2) Flood, if the Flood Coverage Endorsement applies to the affected premises.

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

- (1) Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- (2) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- (3) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

c. The coverage described under 6.b. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.

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

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

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in Paragraph B.4.a.(1) applies to these coverages.

f. War and Military Action

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

g. Water

Flood, surface water, waves, tides, tidal waves, mudslide or mudflow, overflowing of any body of water, or their spray, all whether driven by wind or not.

But we will pay for direct "loss" caused by resulting fire or explosion which occurs during or results from a flood.

This exclusion does not apply to:

- (1) Ensuing theft loss;
- (2) Rolling stock, salesmen's samples, patterns and dies, cameras, and camera equipment, scientific instruments, and other similar property of a mobile nature not intended for sale;
- (3) Property which is in due course of transit; or
- (4) Property in the custody of processors;

h. "Fungus", Wet Rot, Dry Rot And Bacteria

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

But if "fungus", wet or dry rot or bacteria results in a "specified causes of loss", we will pay for the

loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

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

i. Illegal transportation or trade.

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

- a. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;

But if loss or damage by fire results, we will pay for that resulting loss or damage.

- b. Delay, loss of use or loss of market;

- c. (1) Wear and tear;

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

- (3) Smog;

- (4) Settling, cracking, shrinking or expansion;

- (5) Insects, birds, rodents or other animals;

- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any resulting loss or damage caused by elevator collision;

- (7) The following causes of loss to personal property;

- (a) Dampness or dryness of atmosphere.

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

- (b) The time required to re-produce "finished stock".

This exclusion does not apply to Extra Expense.

- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas, including their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your Business Income during the "period of restoration".
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph B.1.a., Ordinance or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following Exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph B.1.a., Ordinance or Law;
 - (b) Paragraph B.1.c., Government Action;

- (c) Paragraph B.1.d., Nuclear Hazard;

- (d) Paragraph B.1.e., Power Failure; and

- (e) Paragraph B.1.f., War and Military Action.

(2) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement.

(3) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

Section C - LIMITS OF INSURANCE is amended to read as follows:

C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The limits applicable to the Coverage Extensions and the Pollutant Clean Up and Removal Additional Coverage are in addition to the Limits of Insurance.

Payments under the Preservation of Property Additional Coverage will not increase the applicable Limit of Insurance.

Section D - DEDUCTIBLE is amended to read as follows:

D. DEDUCTIBLE

We will not pay for loss in any one occurrence until the amount of the adjusted loss before applying the applicable Limit of Insurance exceeds the deductible amount shown in the Declarations. We will then pay the amount of the adjusted loss in excess of the deductible, up to the applicable Limit of Insurance.

1. Special Computer Deductible

A special deductible for Computer Coverage for a loss caused by any one event from utility failure, mechanical breakdown or other electrical disturbance is \$1,000 or 5% of the amount of Computer Coverage, whichever is greater.

If multiple deductibles appear on the Declarations Page, a loss will be adjusted as follows:

- (4) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac.

BUSINESS INCOME COVERAGE FORMS AMENDMENT

Item 4. **Coverage Extension of A. COVERAGE** is amended to read as follows:

4. Coverage Extension

Newly Acquired Locations

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay for loss under this Extension is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (1) This policy expires;
- (2) 180 days expire after you acquire or begin to construct the property; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

F. DEFINITIONS

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "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.
 - a. 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:

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

- b. Falling objects does not include loss or damage to:

- (1) Personal property in the open; or
- (2) 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.

- c. Water damage means accidental discharge or leakage of the water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant including:

- a. Smoke, vapor, soot, fumes;
- b. Acids, alkalis, chemicals; and
- c. Waste including materials to be recycled, reconditioned or reclaimed.

4. "Computer Equipment" means a network of machine components capable of accepting information, processing it according to plan and producing the desired results. It includes air conditioning, fire protection equipment and electrical equipment used exclusively in your computer operations.

5. "Data" means facts, concepts or instructions, including computer programs, which are converted to a form usable to your data processing operations.

6. "Media" means material on which data are recorded.

7. "Computer Programs" means data used to direct computer equipment including diagrams or other records which can be used to reproduce programs.

UMBRELLA COVERAGE

UMBRELLA COVERAGE

UMBRELLA COVERAGE



Westfield Companies

One Park Circle PO Box 5001
Westfield Center OH 44251-5001

13

RENEWAL
COMMERCIAL LIABILITY UMBRELLA DECLARATIONS

COMPANY PROVIDING COVERAGE

WESTFIELD INSURANCE COMPANY

NAMED INSURED AND MAILING ADDRESS

AGENCY

34-01234

PROD.

000

WATER & SEWER LLC;
SEE SCHEDULE OF NAMED INSURED
3439 W BRAINARD RD SUITE 260
WOODMERE OH 44122

WELLS FARGO INS SVCS OF OH LLC
1301 E NINTH ST STE 3800
CLEVELAND OH 44114-1824
TELEPHONE 216-241-4344

Policy Number: CWP 4 935 780

| 35 |

WIC Account Number: 3409180758

| Q

Policy Period From 07/09/10
To 07/09/11

at 12:01 A.M. Standard Time at your
mailing address shown above.

LIMITS OF INSURANCE

\$10,000,000 EACH OCCURRENCE LIMIT
\$10,000,000 GENERAL AGGREGATE LIMIT
\$10,000,000 PERSONAL & ADVERTISING INJURY LIMIT
\$0 SELF INSURED RETENTION

SCHEDULE OF UNDERLYING INSURANCE

POLICY NUMBER	TYPE OF COVERAGE	INSURER	LIMITS OF LIABILITY	POLICY PERIOD
CWP 4935780	General Liability	Westfield Insurance	\$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Aggregate \$1,000,000 Personal And Advertising Injury \$1,000,000 Each Occurrence	07/09/10 To 07/09/11
CWP 4935780	Auto Liability	Westfield Insurance	\$1,000,000 Bodily Injury And Property Damage Each Accident	07/09/10 To 07/09/11

PREMIUM BASIS: FLATCHARGE

COMMERCIAL UMBRELLA ANNUAL PREMIUM \$7,500.00
TOTAL ADVANCE ANNUAL PREMIUM \$7,500.00

Forms And Endorsements Applicable To This Coverage Part:

CUDS01 0900*, CU0001 1207*, CU7000 1206*, CU2127 1204*, CU2108 0900*,
CU2125 1201*, CU2123 0202*, CU7024 1207*, CU2432 1205*, CU0004 0509*,
CU2142 1204*, IL7013 1206*, CU2130 0108*, CU2430 0305*.

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages for such "bodily injury" or "property damage" when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other "suit" seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. At our discretion, we may investigate any "occurrence" that may involve this insurance and settle any resultant claim or "suit", for which we have the duty to defend. But:

- (1) The amount we will pay for the "ultimate net loss" is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1.a. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1.a. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1.a. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim;

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

- (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

With respect to injury arising out of a "covered auto", this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this insurance, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

h. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies whether the injury-causing event described in Para-

graphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance".

j. Aircraft Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

q. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

r. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

s. Professional Services

"Bodily injury" or "property damage" due to rendering or failure to render any professional service. This includes but is not limited to:

- (1) Legal, accounting or advertising services;
- (2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager;
- (3) Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- (4) Engineering services, including related supervisory or inspection services;

- (5) Medical, surgical, dental, x-ray or nursing services treatment, advice or instruction;
- (6) Any health or therapeutic service treatment, advice or instruction;
- (7) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming or therapy;
- (8) Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, body building or physical training programs;
- (9) Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (10) Body piercing services;
- (11) Services in the practice of pharmacy; but this exclusion does not apply if you are a retail druggist or your operations are those of a retail drugstore;
- (12) Law enforcement or firefighting services; and
- (13) Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

t. Electronic Data

Damage arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

This exclusion does not apply if valid "underlying insurance" for the electronic data risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance", unless otherwise directed by this insurance.

(8) Wrong Description Of Prices

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

(9) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(10) Insureds In Media And Internet Type Businesses

Committed by an insured whose business is:

- (a)** Advertising, broadcasting, publishing or telecasting;
- (b)** Designing or determining content of websites for others; or
- (c)** An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(14) Employment-Related Practices

To:

- (a)** A person arising out of any:

- (i)** Refusal to employ that person;
- (ii)** Termination of that person's employment; or
- (iii)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (b)** The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (i), (ii) or (iii) above is directed.

This exclusion applies whether the injury-causing event described in Paragraphs (i), (ii) or (iii) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

(15) Professional Services

Arising out of the rendering or failure to render any professional service. This includes but is not limited to:

- (a)** Legal, accounting or advertising services;
- (b)** Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager;

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
- 3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies if any demands, notices, summonses or legal papers received in connection with the "suit";

- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance or use of "covered autos":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

- b. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:

- (1) The owner or anyone else from whom you hire or borrow a "covered auto". This exception does not apply if the "covered auto" is a trailer or semitrailer connected to a "covered auto" you own.
- (2) Your "employee" if the "covered auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a "covered auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a "covered auto" owned by him or her or a member of his or her household.
- (6) "Employees" with respect to "bodily injury" to any fellow "employee" of the insured arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

- c. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.

3. Any additional insured under any policy of "underlying insurance" will automatically be an insured under this insurance.

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance".

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, "suits" brought, or number of vehicles involved; or
 - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" under:
 - a. Coverage A, except "ultimate net loss" because of "bodily injury" or "property damage" arising out of the ownership, maintenance or use of a "covered auto"; and
 - b. Coverage B.
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" because of all "bodily injury" and "property damage" under Coverage A arising out of any one "occurrence".
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all "ultimate net loss" because of all "personal and advertising injury" sustained by any one person or organization.
5. If there is "underlying insurance" with a policy period that is non-concurrent with the policy period of this Commercial Liability Umbrella Coverage Part, the "retained limit(s)" will only be reduced or exhausted by payments for:
 - a. "Bodily injury" or "property damage" which occurs during the policy period of this Coverage Part; or
 - b. "Personal and advertising injury" for offenses that are committed during the policy period of this Coverage Part.

However, if any "underlying insurance" is written on a claims-made basis, the "retained limit(s)" will only be reduced or exhausted by claims for that insurance that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

The Aggregate Limit, as described in Paragraph 2. above, applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations Of Fraud

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us;
- c. We have issued this policy in reliance upon your representations; and
- d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

8. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

10. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

11. Loss Payable

Liability under this Coverage Part shall not apply unless and until the insured or insured's "underlying insurer" has become obligated to pay the "retained limit". Such obligation by the insured to pay part of the "ultimate net loss" shall have been previously determined by a final settlement or judgment after an actual trial or written agreement between the insured, claimant, and us.

12. Transfer Of Defense

When the underlying limits of insurance have been used up in the payment of judgments or settlements, the duty to defend will be transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or "suits" seeking damages to which this insurance applies which would have been covered by the "underlying insurance" had the applicable limit not been used up.

13. Maintenance Of/Changes To Underlying Insurance

The "underlying insurance" listed in the Schedule of "underlying insurance" in the Declarations shall remain in full effect throughout the policy period except for reduction of the aggregate limit due to payment of claims, settlement or judgments.

Failure to maintain "underlying insurance" will not invalidate this insurance. However, this insurance will apply as if the "underlying insurance" were in full effect.

If there is an increase in the scope of coverage of any "underlying insurance" during the term of this policy, our liability will be no more than it would have been if there had been no such increase.

You must notify us as soon as practicable when any "underlying insurance" is no longer in effect or if the limits or scope of coverage of any "underlying insurance" is changed.

14. Expanded Coverage Territory

- a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto." However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraphs f. and g. do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - (2) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - (3) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a "covered auto" over a route or territory that person or organization is authorized to serve by public authority.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership maintenance or use of "covered autos", electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

19. "Retained limit" means the available limits of "underlying insurance" scheduled in the Declarations or the "self-insured retention", whichever applies.
20. "Self-insured retention" means the dollar amount listed in the Declarations that will be paid by the insured before this insurance becomes applicable only with respect to "occurrences" or offenses not covered by the "underlying insurance". The "self-insured retention" does not apply to "occurrences" or offenses which would have been covered by "underlying insurance" but for the exhaustion of applicable limits.
21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent or the "underlying insurer's" consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Ultimate net loss" means the total sum, after reduction for recoveries or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.
24. "Underlying insurance" means any policies of insurance listed in the Declarations under the Schedule of "underlying insurance".
25. "Underlying insurer" means any insurer who provides any policy of insurance listed in the Schedule of "underlying insurance".
26. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
27. "Your product":
 - a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work":
 - a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. Exclusion u. of Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

u. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information

B. Exclusion a.(17) of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

(17) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (d)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - LEAD

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
FARM LIABILITY COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
FARMOWNERS-RANCHOWNERS POLICY PERSONAL LIABILITY FORM
OWNERS', LANDLORDS' AND TENANTS' LIABILITY INSURANCE COVERAGE PART
FARMER'S COMPREHENSIVE PERSONAL INSURANCE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

- (1) "Bodily injury", "property damage", "personal injury" or "personal and advertising injury" arising out of lead poisoning, lead contamination or exposure to lead.
- (2) Any loss, cost or expense arising out of any:
 - a. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
 - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

IL 70 13 12 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

This insurance does not apply to "bodily injury" or "property damage" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos;
2. The use of asbestos in constructing or manufacturing any goods, product or structure;
3. The removal, repair, encapsulation, enclosure, abatement or maintenance of asbestos in or from any goods, product or structure; or

4. The manufacture, sale, distribution, transportation, storage or disposal of asbestos or goods or products containing asbestos.

This insurance does not apply to payment for the investigation or defense of any claim, injury, loss, fine, penalty or "suit" related to any of the foregoing items 1 thru 4. Moreover we have no duty to investigate or defend any such claim, injury, loss or "suit".

This insurance also does not apply to any loss, cost or expense incurred in complying with any federal, state or local provision of law regarding the inspection, monitoring, or control of asbestos in any goods, products or structures.

CU 70 00 12 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - INTERCOMPANY PRODUCTS SUITS

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard".

POLICY NUMBER: CWP 4935780

COMMERCIAL LIABILITY UMBRELLA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

Exclusion i. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

i. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
- (2) "Pollution cost or expense".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEFINITION OF "BODILY INJURY"

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

The definition of "bodily injury" under **SECTION V - DEFINITIONS**, Item 3. is amended to read:

3. **"Bodily injury"** means bodily injury, disability, sickness, or disease sustained by a person, including death resulting from any of these at any time.

CU 70 24 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED COVERAGE TERRITORY

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

- A. Paragraph 14. **Expanded Coverage Territory** under **Section IV - Conditions** does not apply.

- B. Paragraph 4. under **Section V - Definitions** is replaced by the following:

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
- c. All other parts of the world if the injury or damage arises out of:

- (1) Goods or products made or sold by you in the territory described in a. above;

- (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or

- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

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

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism

Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



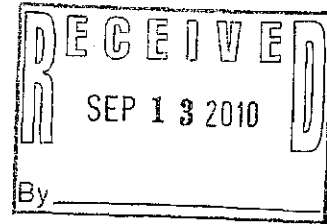
Wells Fargo Insurance Services USA, Inc.
The Galleria and Tower at Erieview
1301 East 9th Street, Suite 3800
Cleveland, OH 44114-1874

Tel: (216) 241-4344

September 13, 2010

Randy Kertesz
Water & Sewer LLC
3439 W Brainard Road
Woodmere, OH 44122

Re: Policy Number: PHPK592803
06/30/2010 to 06/30/2013
Philadelphia Insurance Company
Environmental Liability



Dear Randy:

We are pleased to enclose your new three-year insurance policy, which replaced the expired American Safety Insurance policy. We have checked the policy carefully and there appears to be quite a few errors regarding mailing and location addresses. We ordered the endorsements to make the corrections, which we received. I have attached them to the back of your policy. We recommend that you also review the policy, and notify us of any discrepancies you may find or questions you may have.

This is a Direct Bill policy, so the insurance company will be billing you directly (25% down with nine monthly installments the first year), and they should receive your payments by the due dates to avoid any cancellation or lapse in coverage. You will not receive any invoices from us.

Should you have any questions regarding your coverage, or have any changes, please call me at 216-902-5140. Thank you for this opportunity to serve your insurance needs.

Sincerely,

Maureen K. Mandato, AAI
Account Executive

MKM/bab

Enclosure

appl. 5

Together we'll go far



Wells Fargo Insurance Services

YOUR INSURANCE POLICY **Property & Casualty Insurance Program**

Together we'll go far





Philadelphia Indemnity Insurance Company

(A Stock Company founded in 1927)

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004

1-800-759-4961

Commercial Lines Policy

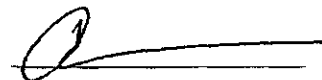
THIS POLICY CONSISTS OF:

- DECLARATIONS
 - COMMON POLICY CONDITIONS
 - ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS
-

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

A handwritten signature in cursive script, appearing to read "Christopher J. Maguire".

President

A handwritten signature consisting of a stylized initial or symbol followed by a horizontal line.

Secretary



PHILADELPHIA
INSURANCE COMPANIES

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

07/23/2010

Water & Sewer LLC
3439 W Brainard Rd Ste 2
Woodmere, OH 44122-4273

RE: PHPK592803

Dear Valued Customer:

I wanted to personally thank you for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our first class customer service, national presence and A+ (Superior) A.M. Best financial strength rating have made us *the* selection by over 150,000 policyholders nationwide. I realize you have a choice in insurance companies and truly appreciate your business.

I wish you much success this year and look forward to building a mutually beneficial business partnership which will prosper for years to come. Welcome to PHLY and please visit [our website](#) to learn more about our Company!

Sincerely,

Christopher J Maguire
President & CEO
Philadelphia Insurance Companies

CJM/sm



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

LOSS CONTROL SERVICES

Welcome to PIC Loss Control Services. PIC is familiar with the unique loss control programming needs of your organization and has achieved superior results in this area. We are committed to delivering quality and timely loss prevention services and risk control products to your organization. Customer satisfaction through the delivery of these professional products to achieve measurable risk improvement results is our goal. We know the fulfillment of our loss control commitment is not complete until we deliver upon our promises.

Our product specific service capabilities follow on the next few pages. They include a multifaceted approach to risk management covering safety program development, site audits and training (including interactive web-based training). We offer a wide range of products and value-added service at no cost to help you achieve your risk management goals.

Please take a moment to register for our website @ www.losscontrol.com to gain full access to these resources. Please assign yourself your own username and password. Your registration will be processed in two business days.

We look forward to helping to make your insurance program a success. We are standing by if you have any questions or if we may be of further assistance. Please contact us at:

Mark Konchan, CSP ARM
Vice President – Loss Control
Home Office – Bala Cynwyd, PA
E-Mail: mkonchan@phlyins.com



**Philadelphia Insurance Companies (PIC)
PHLY Loss Control Services**

About Loss Control Services

- Our Motto
- Our Mission

Risk Management Resources

- Durafile "Your Online Safety Deposit Box"
- IntelliCorp Records, Inc. (Employment Background Screening and MVR Checks)
- Nonprofit Risk Management Center
- Pure Safety (Online Driver Training Course)
- Pure Safety (Online Safety Training & Software for Incident, Injury and Illness Management)
- SafetyFirst (Fleet Monitoring Program)
- WEMED Loss Assistance Hotline
- AGOSNET: web-enabled EPLI (Employment Practices Liability Insurance) Risk Management Services
- Safe-Wise: Youth Services Organizations & Aquatics

Proprietary Risk Management Services

- Monthly E-Brochures
- Large Account Service Capabilities
- Loss Trend Analysis / Risk Management Information System
- Responding to Loss Control Recommendations via www.losscontrol.com

"Outside the Box": ePIC Loss Control Services (Unbundled Risk Management Services)

Contact Information

- (e) The notice of cancellation will:
 - (i) State the effective date of cancellation. The **policy period** will end on that date.
 - (ii) Contain the date of the notice and the policy number, and will state the reason for cancellation.
- (f) Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.
- (g) 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.

Non-Renewal

- (a) If we elect not to renew this policy, we will mail written notice of nonrenewal to the first **named insured**, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.
- (b) We will mail the notice of nonrenewal at least 30 days before the expiration date of the policy.
- (c) Proof of mailing will be sufficient proof of notice.

All other terms and conditions of this policy remain unchanged. This endorsement is a part of your policy and takes effect on the expiration or cancellation date of your policy.



Philadelphia Indemnity Insurance Company

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004

COMMON POLICY DECLARATIONS

Policy Number: PHPK592803

Named Insured and Mailing Address:

Water & Sewer LLC
3439 W Brainard Rd Ste 2
Woodmere, OH 44122-4273

Producer: 5789

WELLS FARGO INSURANCE SERVICES, INC
1301 E. Ninth Street
Cleveland, OH 44114

Policy Period From: 06/30/2010 **To:** 06/30/2013

at 12:01 A.M. Standard Time at your mailing
address shown above.

Business Description: Premises Environmental

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
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	
Commercial Crime Coverage Part	
Commercial Inland Marine Coverage Part	
Commercial Auto Coverage Part	
Businessowners	
Workers Compensation	

Premises Environmental	15,598.00
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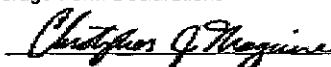
Total	\$ 15,598.00
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FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE
Refer To Forms Schedule

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations

CPD- PIIC (01/07)

Countersignature Date


Authorized Representative

Philadelphia Indemnity Insurance Company

Form Schedule – Policy

Policy Number: PHPK592803

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	1298	Commercial Lines Policy Jacket
CPD-PIIC	0107	Common Policy Declarations
EVP-001	0809	Premises Environmental Coverage Declarations
PP 0701	0701	Privacy Policy Notice
EVP-002	0809	Premises Environmental Coverage Policy Form
EVP-OH	0309	Ohio Amendatory Endorsement
EVP-026	0709	Non-Owned Location Coverage- Scheduled
EVP-030	0309	Retroactive Date- Specific Coverage
EVP-108	0709	Contingent Transportation Coverage
EVP-140	0709	Additional Insured Schedule
EVP-103	0309	Terrorism Coverage

Philadelphia Indemnity Insurance Company

Locations Schedule

Policy Number: PHPK592803

Premis. No.	Bldg. No.	Address
0001	ALL	3516 State Rt 303 Richfield Township, OH 44286



Philadelphia Indemnity Insurance Company
 One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax: 610.617.7940

PREMISES ENVIRONMENTAL COVERAGE DECLARATIONS

Policy Number: PHPK592803

THIS IS A CLAIMS MADE AND REPORTED POLICY WITH DEFENSE COSTS INCLUDED IN THE LIMITS OF INSURANCE. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

In return for the payment of the premium, and subject to all the terms of this policy, we agree to provide you with the insurance stated in this policy.

ITEM

1. **Named Insured:** Water & Sewer LLC
2. **Mailing Address:** 3439 West Brianwood Road, Suite2
Woodmore, OH 44121
3. **Your Insured Location:** 3516 State Rt 303
Richfield Township, OH 44282

☐ if checked here, **Your Insured Location** is designated via endorsement.

4. **Policy Period:** From: 06/30/2010 To: 06/30/2013
(12:01 A.M. Standard Time at Your Mailing Address)

5. **Coverages and Limits of Insurance:**

Insuring Agreements Forming Part of This Policy	Limit of Insurance
A.1. Remediation Expense and Liability: Remediation of On-Site Contamination	\$1,000,000 Per Contamination Incident
A.2. Remediation Expense and Liability: Remediation of Off-Site Contamination	\$1,000,000 Per Contamination Incident
B. Bodily Injury and Property Damage Resulting from Contamination	\$1,000,000 Per Contamination Incident

C. Image Restoration	\$25,000 Per Contamination Incident
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6. Total Policy Aggregate Limit: \$ 1,000,000

7. Deductible: \$ 10,000

8. Premium: \$ 15,598

9. a. Retroactive date: 06/30/2003

b. Retrospective date: Not Applicable

10. Endorsements Forming Part of This Policy When Issued:

See attached Policy Forms Schedule

11. Producer: 5789

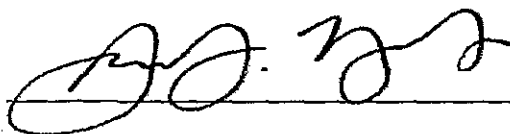
Name: Wells Fargo Insurance Services, Inc.

Address: 1301 E. Ninth Street
Cleveland, OH 44114

12. Notices

Notice of Claim, Coverage, or Contamination	All other notices
Claims - Environmental One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004 - 0950 Facsimile: 1 (800) 685-9238 Telephone: 1 (800) 765-9749	Commercial Lines Underwriting Environmental Division One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004

This policy has been signed by the Company's President and Secretary.



President



Secretary

Philadelphia Indemnity Insurance Company

Form Schedule – Premises Environmental

Policy Number: PHPK592803

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	1298	Commercial Lines Policy Jacket
CPD-PIIC	0107	Common Policy Declarations
EVP-001	0809	Premises Environmental Coverage Declarations
PP 0701	0701	Privacy Policy Notice
EVP-002	0809	Premises Environmental Coverage Policy Form
EVP-OH	0309	Ohio Amendatory Endorsement
EVP-026	0709	Non-Owned Location Coverage- Scheduled
EVP-030	0309	Retroactive Date- Specific Coverage
EVP-108	0709	Contingent Transportation Coverage
EVP-140	0709	Additional Insured Schedule
EVP-103	0309	Terrorism Coverage

PHILADELPHIA INSURANCE COMPANIES

PRIVACY POLICY NOTICE

Philadelphia Insurance Company & Philadelphia Indemnity Insurance Company

The Philadelphia Insurance Companies values your privacy and we are committed to protecting personal information that we collect during the course of our business relationship.

The collection, use and disclosure of certain nonpublic personal information are regulated by law.

This notice is for your information only and requires no action on your part. It will inform you about the types of information we collect and how it may be disclosed. This does not reflect a change in the way we do business or handle your information.

Information We Collect:

We collect personal information about you from the following sources:

- Applications or other forms such as claims forms or underwriting questionnaires completed by you;
- Information about your transactions with us, our affiliates or others; and
- Depending on the type of transaction you are conducting with us, information may be collected from consumer reporting agencies, health care providers, employers and other third parties.

Information We Disclose:

We will only disclose the information described above, as permitted by law, to our affiliates and non-affiliated third parties when necessary to conduct our normal business activities.

For example, we may make disclosures to the following types of third parties:

- Your agent or broker;
- Parties who perform a business, professional or insurance function for our company, including our reinsurance companies;
- Independent claims adjusters, investigators, other insurers, medical care institutions and attorneys who need the information to investigate, defend or settle a claim involving you;
- Insurance regulatory agencies in connection with the regulation of our business; and
- Lienholders, mortgagees, lessors or other persons shown on our records as having legal or beneficial interest in your policy.

We do not sell your information to others for marketing purposes.

We do not disclose the personal information of persons who have ceased to be our customers.

Protection of Information:

The Philadelphia Insurance Companies maintains physical, electronic and procedural safeguards that comply with state and federal regulations to protect the confidentiality of your personal information. We also limit employee access to personally identifiable information to those with a business reason for knowing such information.

How to Contact Us:

Feel free to call or write to us for additional information.

Philadelphia Insurance Companies
One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
(877)-438-7459



PREMISES ENVIRONMENTAL COVERAGE

Environmental Liability and Remediation Expense Coverage

THIS IS A CLAIMS MADE AND REPORTED POLICY.

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. Other words and phrases that appear in **bold** have special meaning. Refer to Section II. **DEFINITIONS**.

In consideration of the premium paid and in reliance upon the statements that you provided to us in the application and any other supplemental information provided in connection with the application, we agree to provide coverage as shown in the Declarations and described as follows:

PREMISES ENVIRONMENTAL COVERAGE INSURANCE

I. INSURING AGREEMENTS

A. Remediation Expense and Liability

1. Remediation of On-Site Contamination

We will pay for **remediation expense** resulting from **contamination** on or under **your insured location**:

- a. If **discovery** of such **contamination** is first made during the **policy period** and reported to us in writing as soon as practicable during the **policy period**; or
- b. That the **insured** becomes legally obligated to pay as a result of a **claim** for **remediation expense** that is first made against the **insured** and reported to us during the **policy period**, or within the **extended reporting period**.

2. Remediation of Off-Site Contamination

We will pay for **remediation expense** resulting from **contamination** migrating from and beyond the boundaries of **your insured location**:

- a. If **discovery** of such **contamination** is first made during the **policy period** and reported to us in writing as soon as practicable during the **policy period**; or
- b. That the **insured** becomes legally obligated to pay as a result of a **claim** for **remediation expense** that is first made against the **insured** and reported to us during the **policy period**, or within the **extended reporting period**.

B. Bodily Injury and Property Damage Resulting from Contamination

We will pay for **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury** or **property damage** arising out of **contamination** on, under or migrating from **your insured location**, provided such **claim** is first made against the **insured** and reported to us during the **policy period**, or within the **extended reporting period**.

C. Image Restoration

We will pay for covered expenses incurred for image restoration arising out of damage to your reputation or consumer confidence as a result of **contamination** reported to us during the **policy period** or the **extended reporting period** and that result in **bodily injury**, **property damage** or **remediation expense** covered under this policy. Covered expenses are limited to the costs of restoring your reputation and consumer confidence through image consulting.

II. DEFINITIONS

A. Additional insured means any individual, organization or entity scheduled to this policy as an **additional insured** by an endorsement, but solely for their liability arising out of their ownership, use, operation or financing of **your insured location**.

B. Bodily injury means:

1. Physical injury, sickness or disease including associated medical or environmental monitoring; and
 2. Mental anguish, emotional distress or shock sustained by any person;
- including death resulting there from.

C. Claim means a written demand, notice, or assertion of a legal right seeking a remedy or alleging liability or responsibility on the part of you or any **insured** as a result of **contamination**. Such demand, notice, or assertion of a legal right includes, but is not limited to legal actions, orders, petitions or governmental or regulatory actions, filed against you or any **insured**.

D. Contaminant means any solid, liquid, gaseous or thermal irritant or pollutant, including but not limited to smoke, vapor, odors, soot, fumes, acids, alkalis, toxic chemicals, hazardous substances, petroleum hydrocarbons, legionella, electromagnetic fields, low level radiological matter and waste materials including but not limited to municipal, industrial, medical, pathological, and low level radioactive waste materials.

E. Contamination means:

1. The discharge, dispersal, release or escape of any **contaminants** into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered.
2. The presence of **contaminants** that have been illegally disposed of or abandoned at **your insured location** by parties other than an **insured** provided such presence, disposal or abandonment are unknown to the **insured**.

F. Discovery means when the **insured** first has knowledge of **contamination**.

- G. Defense Expense** means cost, charges and expenses incurred in the defense, investigation or adjustment of any claim.
- H. Emergency expenses** means reasonable and necessary expenses incurred to contain, control or mitigate **contamination** that is an imminent and substantial endangerment to:
1. The public health, safety or welfare where in the absence of such action to contain, control or mitigate **contamination, bodily injury or property damage to third parties** is imminent; or
 2. The environment;
- and pursuant to laws that require such immediate response to **contamination**.
- I. Environmental professional** means a person or entity chosen by us, in consultation with the **insured**, that possesses appropriate expertise, licensing, certification and qualifications to address the **contamination**.
- J. Extended reporting period** means either **A. Automatic Extended Reporting Period** or **B. Extended Reporting Period**, whichever is applicable, in which to report a claim first made against the **insured** following termination of coverage, as described in Section IX. **Extended Reporting Provisions**, of this policy.
- K. Inception date** means the first date set forth in ITEM 4. of the Declarations.
- L. Insured** means:
1. The **named insured** and any subsidiary thereof; and
 2. Any past or present director, officer, partner or employee of the **insured**, including a temporary or leased employee, while acting within the scope of his or her employment as such; and
 3. **Additional insured**.
- M. Law** means any federal, state, provincial or local statutes, rules, regulations, ordinances, guidance documents, voluntary clean up or risk based corrective action programs and judicial or administrative orders and directives and all amendments thereto that apply or may be applied to the **insured's** responsibility for **contamination**.
- N. Loss** means:
1. Monetary awards or settlements, previously agreed in writing to by us, of compensatory damages and, where allowable by law, punitive, exemplary, or multiplied damages, civil fines, penalties and assessments for **bodily injury or property damage**; and
 2. **Related defense expense**.
- O. Mold** means mold, mildew or any type or form of fungus including mycotoxins, spores, microbial volatile organic compounds or any other by-products produced by or released by fungi.
- P. Named insured** means the person or entity named in ITEM 1. of the Declarations and responsible for acting on behalf of all other **insureds**, if any, under this policy as described in **X. General Conditions, M. Sole Agent**.

Q. Natural resource damage means physical injury to or destruction of, including the resulting loss of value of: land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), any state or local government, any foreign government, any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

R. Policy period means the period set forth in ITEM 4. of the Declarations, or any shorter period arising as a result of:

1. Cancellation of this policy; or
2. With respect to any of **your insured location(s)**, the deletion of any such location(s) from this policy by us at your written request.

S. Property damage means:

1. Physical injury to or destruction of tangible property of parties other than the **insured** including the resulting loss of use and diminution in value thereof;
2. Loss of use, and diminution in value of tangible property of parties other than the **insured** that has not been physically injured or destroyed; and
3. **Natural resource damage.**

However, **property damage** shall not include **remediation expense**.

T. Remediation expense means:

1. Reasonable and necessary expenses, including legal expenses, incurred for investigation, removal, abatement, disposal, treatment, clean-up or neutralization, including associated monitoring, of **contaminants**;
 - a. To the extent required by law or, in the absence of applicable law, to the extent recommended by an **environmental professional**; or
 - b. That have been actually incurred by any government department or agency;
2. Monetary awards or settlements, previously agreed to in writing by us, of compensatory damages that the **insured** is legally obligated to pay for investigation, removal, abatement, disposal, treatment, clean-up or neutralization, including associated monitoring, of **contaminants**; and

3. **Related defense expense**;

including **restoration expense** and **emergency expenses**.

U. Responsible individual means any officer, director or partner of the insured; the manager or supervisor of the insured responsible for environmental or health and safety affairs or compliance; or any manager or supervisor of **your covered location** or operations.

- V. **Restoration expense** means reasonable and necessary costs incurred by the insured to repair, replace or restore real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of incurring **remediation expense**. However, such **restoration expense** shall not include any costs associated with a betterment or improvement to such real or personal property.
- W. **Underground storage tank** means any tank that has at least ten (10) percent of its volume below ground in existence at the **inception date**, or installed thereafter, including associated underground piping connected to the tank.
- X. **Your insured location** means any property or location approved by us and listed in ITEM 3. of the Declarations Page or Your Insured Location Schedule endorsed to this policy.

III. LIMITS OF INSURANCE AND DEDUCTIBLE

The Limits of Insurance shown in ITEMS 5. and 6. of the Declarations and **Deductible** shown in ITEM 7. and the rules below fix the most we will pay regardless of the number of **your insured locations, insureds, contamination incidents, claims** or claimants:

- 1. The Total Policy Aggregate Limit shown in ITEM 6. of the Declarations is the most we will pay for all **loss, remediation expense** or other coverage afforded under this policy.
- 2. The most we will pay for **claims** from any one **loss, remediation expense** or other coverage afforded under this policy, under any Insuring Agreement or endorsement is the applicable **Limit of Insurance** shown in ITEM 5. of the Declarations, or on the applicable endorsement. If no Limit of Insurance is shown for a particular Insuring Agreement in the Declarations, then no coverage is provided under that particular Insuring Agreement.
- 3. The same or related discharge, dispersal, release or escape of any **contaminants** shall be deemed the same **contamination** incident to which one Limit of Insurance shall apply under any one insuring agreement or coverage afforded under this policy, and one Deductible shall apply. Regardless of the policy period in which such **claim, remediation expense** or other coverage afforded under this policy is reported to us, and arising out of such **contamination**, we will consider it to have been first made under the policy in effect at the time the **insured** first becomes aware of such **contamination**. The **Limits of Insurance** from that policy only will apply. In the event that more than one Deductible amount could apply to the same **contamination** incident and resulting **loss, remediation expense** or other coverage afforded under this policy, only the highest Deductible amount may be applied.
- 4. We will not pay for **loss, remediation expense** or other coverage afforded under this policy unless the amount of **loss, remediation expense** or other coverage afforded under this policy exceeds the applicable Deductible.
- 5. We will pay the amount of **loss, remediation expense** or other coverage afforded under this policy in excess of the applicable Deductible and up to the applicable Limit of Insurance. In no event will payment exceed the Total Policy Aggregate shown in ITEM 6. of the Declarations. In the event that we advance any portion of the Deductible, the **insured** shall reimburse us for those amounts promptly and as soon as possible.

IV. EXCLUSIONS

This policy does not apply to **claims, loss, remediation expense** or any other coverage afforded under this policy:

- A. **Asbestos and Lead Paint** – Based upon or arising from any asbestos or asbestos-containing product or any lead-based paint installed in or applied to any building or other structure. This exclusion does not apply to asbestos or asbestos containing materials or lead based paint in soil or in any watercourse or body of water including ground water.
- B. **Communicable Diseases** – Based upon or arising out of exposure to communicable diseases whether or not as a result of exposure to individuals or animals. However, this exclusion does not apply to exposure to medical waste.
- C. **Contractual Liability** – Based upon or arising out of liability of others assumed by the insured under any contract or agreement, unless the insured would have been liable in the absence of such contract or agreement. This exclusion does not apply to any contract submitted to and approved by us and listed in an Insured Contract Schedule that is made a part of this policy by endorsement but only as respects to coverage provided in the insuring agreements or other coverage afforded under this policy,
- D. **Criminal Fines and Penalties** – Based upon or arising out of any criminal fines, penalties or assessments.
- E. **Damage to Insured's Property** – Based upon or arising out of physical injury to or destruction of tangible property, including the resulting loss of use and diminution in value, to any property owned, leased, rented by an insured or loaned to an insured. This exclusion applies solely with respect to **claims for property damage**.
- F. **Divested Property Limitation** – Based upon or arising out of **contamination** that first begins after **your insured location** has been divested, sold, abandoned, given away, taken by eminent domain or condemned.
- G. **Employer Liability** – Based upon or arising out of **bodily injury** to any person while employed by any insured or by anyone who has a right to make a claim against any insured because of any employment, blood, marital or any other relationship with said employee. This exclusions applies:
 - 1. Whether the insured may be responsible as an employer or in any other capacity; or
 - 2. To any obligation to share damages with or repay someone else who must pay damages because of claims
- H. **Hostile Acts** – Based upon or arising out of any consequence, of whether direct or indirect, of war, invasion, act of a foreign enemy, hostilities whether declared or not, civil war, rebellion, revolution, insurrection, military or usurped power, or any covert military action.
- I. **Insured's Costs of Goods or Services** – Arising out of your own costs, charges or expenses for goods or services provided by an insured including a parent or affiliate of such insured, unless such costs, charges or expenses are:
 - 1. **Emergency expenses**; or
 - 2. Such costs are approved, in our sole discretion, by us.
- J. **Insured versus insured** – Based upon or arising out of a claim by any insured against any other insured under this policy.
- K. **Material Change** – Based upon or arising out of any material change in the use or operations at **your insured location** from the use or operations stated by you in the application or information submitted to us that forms the basis of coverage.

- L. **Mold** – Based upon or arising out of mold.
- M. **Non-Disclosed Known Contamination** – Based upon or arising out of contamination in existence prior to the **inception date** or the effective date of an endorsement to this policy which is:
 - 1. Known by or has been reported to any **responsible individual**; and
 - 2. Not disclosed to us in the application for this policy or any other supplemental information provided in connection with the application for this policy, an endorsement, or any previous policy issued by us for which this policy is a renewal thereof.

Contamination expressly disclosed to us and not otherwise excluded under this policy or by endorsement shall be deemed by us to have been first **discovered** on the **inception date** or the effective date of the applicable endorsement.
- N. **Nuclear Liability** – Based upon or arising out of radioactive, toxic, or explosive properties of Source Materials, Special Nuclear Material or By-Product Material, as defined in the Atomic Energy Act, and for which the United States Department of Energy or any other governmental authority or agency has indemnified the **insured**, or for which the Price Anderson Act provides protection for the **insured**.
- O. **Product Liability** – Based upon or arising out of goods or products manufactured, sold, handled or distributed by the **insured** or others trading under the **insured's** name, after possession of such goods or products has been relinquished by the insured or others trading under its name.
- P. **Retroactive Date** – Based upon or arising out of **contamination**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the **Retroactive Date** shown in ITEM 9.a. of the Declarations of this policy. This exclusion does not apply if "not applicable" is shown in ITEM 9.a. of the Declarations.
- Q. **Retrospective Date** – Based upon or arising out of **contamination** that first began on or after the **Retrospective Date** shown in ITEM 9.b. of the Declarations of this policy. This exclusion does not apply if "not applicable" is shown in ITEM 9.b. of the Declarations.
- R. **Underground Storage Tank** – Based upon or arising out of **contamination** resulting from an **underground storage tank** whose existence is known by you as of the **inception date** and which is located on **your insured location**, unless such **underground storage tank** is scheduled on the policy by endorsement. However this exclusion does not apply to any **underground storage tank** that is:
 - 1. A process tank located partially in the ground; or
 - 2. Located on or above the floor of structures built below the ground surface such as vaults or subsurface floors of buildings.
- S. **Willful Non-Compliance and Dishonest Acts** – Based upon or arising out of any **contamination** based upon or attributable to:
 - 1. A **responsible individual's** intentional, willful or deliberate noncompliance with or intentional disregard of any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body; or
 - 2. Actual or alleged fraudulent, dishonest, knowingly wrongful or malicious conduct by or at the direction of the **responsible individual**.

V. Policy Territory

This policy is applicable only in the United States, its territories or possessions or Canada, but only if the insured's responsibility is determined in:

- A. A proceeding on the merits conducted in the United States or its territories or possessions; or
- B. A settlement agreed to by us.

All premiums, limits, deductibles, loss and other amounts under this policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of loss under this policy is stated in a currency other than United States dollars, payment under this policy shall be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is reached, the amount of the settlement is agreed upon, or the other element of loss is due, respectively.

This policy shall not apply in any situation that would be in violation of the laws of the United States of America or Canada, as applicable, including but not limited to, United States of America economic or trade sanction laws or export controls laws administered by the United States Treasury's Office of Foreign Assets Control.

VI. Defense and Settlement

- A. We shall have the right and duty to defend any insured against any claim to which this insurance applies. We shall undertake and manage the defense of such claim even if such claim is groundless, false or fraudulent. Defense expense reduces the Limits of Insurance and is included within the Deductible stated in ITEM 7. of the Declarations. Our duty to defend ends once the Limits of Insurance are exhausted or tendered into a court of applicable jurisdiction or once the insured refuses a settlement offer as provided in Paragraph C. below.
- B. We shall have the right to select counsel for the investigation, adjustment and defense of claims to which this insurance applies. The insured shall have the right to propose such counsel and we will consult with the insured on the selection. If more than one insured is involved in a claim to which this insurance applies, we may, in our sole discretion, appoint separate counsel for one or more of such insureds if there is a material (actual or potential) conflict of interest among any such insureds.
- C. We reserve the right, but not the duty, to at any time, with the insured's consent, settle any claim to which this insurance applies as we deem expedient. If with respect to any claim to which this insurance applies, the insured refuses to consent to the first settlement acceptable to the claimant which we recommend to the insured in writing, and elect to further contest such claim, then our liability for such claim shall not exceed the amount for which such claim could have been settled, including legal expenses incurred, up to the date of such refusal, plus fifty (50) percent of covered loss, remediation expense or other coverage afforded under this policy in excess of such first settlement amount. It being a condition of this insurance that the remaining fifty (50) percent of such loss, remediation expense or other coverage afforded under this policy excess of the first settlement amount shall be borne by the insured at your own risk, and are uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the deductible amount stated in ITEM 7. of the Declarations Page or applicable endorsement.

In addition, if we recommend a first settlement of a claim to which this insurance applies within the policy's applicable Limit of Insurance that is acceptable to the claimant, and the insured consents to such settlement, then your applicable deductible for such claim shall be retroactively reduced by ten (10) percent. It shall be a condition to such reduction that you

must consent to the first settlement amount within thirty (30) days after the date we recommend to the **insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after we recommend to the **insured** such first settlement offer. If the **insured** does not consent to the first settlement within the time prescribed above, the applicable deductible amount shall remain the respective amount set forth in ITEM 7. of the Declarations or applicable endorsement, even if consent is given to a subsequent settlement.

VII. Notice and Claim Reporting Provisions

A. Notice under this policy shall be given by the insured, or on your behalf:

1. In writing to us at:

Attention Claims - Environmental
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004 – 0950

2. By fax at: 1 (800) 685-9238; or

3. By telephone at: 1 (800) 765-9749.

As a condition precedent to our obligations under this policy, the **insured** shall give written notice to us as soon as practicable of any **claim** made against the **insured** for **loss**, **remediation expense** or other coverage afforded under the policy. Oral notification must be followed with a written notice to us as soon as practicable.

B. If during the policy period, the insured first becomes aware of any contamination or incurs emergency expense which could reasonably be expected to give rise to a claim, remediation expense or other coverage under this policy, the insured shall give written notice to us regarding all particulars of said incident as soon as practicable after the insured becomes aware of said contamination or emergency expense. Oral notification must be followed with a written notice to us as soon as practicable. Such notice of any contamination or emergency expense must include:

1. The particulars of the specific contamination or emergency expense;

2. The circumstances by which the insured first became aware of such contamination or emergency expense; and

3. The claim, loss or remediation expense or other coverage afforded under this policy which has or may result from such contamination or emergency expense.

Any **claim**, **remediation expense** or other coverage afforded under this policy then arising out of such **contamination** will be considered to have been first made under the policy in effect at the time the **insured** first become aware of such **contamination**.

VIII. Duties in the Event of a Claim or Remediation Expense or Discovery of Contamination

A. The Insured's Duties

In the event of a **claim**, **remediation expense**, other coverage afforded under this policy or the **discovery of contamination** and pursuant to VII. **Notice and Claim Reporting Provisions** above, the **insured** shall:

1. Give notice containing particulars sufficient to identify the insured, time, place and underlying circumstances to us including, but not limited to, immediately forwarding to us every demand, notice, summons, or other process received by the insured or insured's representatives;
2. The insured shall take reasonable measures to protect their interests. We shall not be liable for **loss** or **remediation expense** or any other coverage afforded under this policy admitted by the insured without our prior written consent;
3. Admit no liability, make no payments, assume no obligation and incur no expense related to such **claim**, **remediation expense**, other coverage afforded or **contamination** without our written consent, except in the case of **remediation expense** that qualifies as **emergency expenses**. In the event the insured incurs **remediation expense** that qualifies as **emergency expenses**, it is a condition precedent for coverage of such **remediation expense** under this policy that we are notified by the insured as soon as practicable of such **remediation expense** that qualifies as **emergency expenses**;
4. Cooperate with us and, upon our request, assist in investigations, making settlements and in the conduct of suits. The insured shall, at the insured's cost, attend inquires, interviews, hearings, trials and depositions and shall assist in securing and giving evidence and in obtaining the attendance of witnesses and employees; and
5. Not demand or agree to arbitration of any **claim** or any part of your responsibilities for **remediation expense**, or other coverage afforded or **contamination** without our written consent. Such consent shall not be unreasonably withheld.

B. Rights and Duties Concerning Contamination

The insured shall have the right and duty to retain an **environmental professional**, subject to our consent, to perform the investigation or remediation of **contamination** covered by this insurance after **discovery** or notification of the existence of such **contamination**. We have the right, but not the duty, to review and approve all aspects of any such investigation or remediation.

In the event of **emergency expenses**, the insured may select an **environmental professional** without our prior consent. Except for **emergency expenses**, any costs incurred without our consent will not be covered under this policy or credited against the Deductible. As a condition precedent for coverage of **emergency expenses** under this policy, we must be notified by the insured as soon as practicable of such **emergency expenses**.

In addition, we shall retain the right but not the duty to investigate or remediate **contamination** on behalf of the insured after receipt of notice of such **contamination**. Any expenses incurred in such investigation or remediation shall be deemed to be incurred by the insured and applied against the Limits of Insurance and credited against the Deductible.

IX. Extended Reporting Provisions

A. Automatic Extended Reporting Period

If you cancel or refuse to renew this policy or, if we cancel or refuse to renew this policy for reasons other than non-payment of premium or fraud or material misrepresentation on your part, we will provide to you a sixty (60) day automatic extension of the coverage granted by this policy, at no additional charge, for any **claim** first made against you and reported to us in writing during the sixty (60) day extension period, but only as respects **contamination** you first **discovered** during the **policy period** and reported to us during the **policy period** or, solely with respect to **contamination** first **discovered** by you within twenty-four (24) hours prior to the termination of the policy, the five (5) days immediately following the termination of the policy.

If you purchase replacement coverage for this policy or an **extended reporting period** under B. below, the sixty (60) day automatic extension period will end on the effective date of the replacement coverage or the **extended reporting period**.

B. Extended Reporting Period

If you cancel or refuse to renew this policy or, if we cancel or refuse to renew this policy for reasons other than non-payment of premium or fraud or material misrepresentation on your part, you shall have the right to purchase an **extended reporting period** of three (3) years for a premium of no more than two hundred and fifty (250) percent of the expiring policy premium. This extension will provide coverage granted by this policy for any **claim** first made against you and reported to us in writing during the **extended reporting period** but only as respects **contamination** you first **discovered** during the **policy period** and reported to us in writing during the **policy period** or, solely with respect to **contamination** first **discovered** by you within twenty-four (24) hours prior to the termination of the policy, the five days immediately following the termination of the policy. You must apply for this extension in writing, accompanied by payment of premium, prior to the expiration of the sixty (60) day automatic extension period under A. above.

1. All premium paid with respect to an extension period shall be deemed to be fully earned as of the first day of the extension period.
2. The **extended reporting period** described herein shall commence upon the day that this policy terminates.
3. For the purpose of Paragraph B. **Extended Reporting Period**, any change in premium, deductible, Limits of Insurance or other terms or conditions at renewal is not a refusal to renew.
4. Limits of Insurance available during any **extended reporting period** shall not exceed the balance of the Limits of Insurance in effect at the time the policy terminated.
5. In the event similar insurance is in force covering any **claims** first made during the sixty (60) day extension period or during any **extended reporting period**, coverage provided by this policy shall be excess over any such other insurance.

X. General Conditions

A. Subrogation

If we pay any amount under this policy, we shall be subrogated to the **insured's** rights of recovery against any person, firm or organization. The **insured** shall execute and deliver instruments and papers and do whatever is necessary to secure such rights. The **insured** shall not waive or prejudice such rights subsequent to a **claim** or **discovery** of **contamination**.

B. Changes

Notwithstanding anything to the contrary, no provision of this policy may be amended, waived or otherwise changed except by endorsement issued by us to form part of this policy.

C. Action Against Us

No person or organization has a right under this insurance:

1. To join us as a party or otherwise bring us into a **claim**; or
2. To sue us under this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on a fully executed settlement agreement or on a final judgment against the **insured** obtained after an actual trial; but we will not be liable for loss that is not payable under the terms of this insurance or that is in excess of the applicable Limits of Insurance.

D. Bankruptcy

Your bankruptcy or insolvency, or that of your successors in interest, shall not relieve us of our obligations under this policy.

E. Cancellation or Non-Renewal

You may cancel this policy by surrendering it to us or one of our authorized agents or by mailing written notice to us and providing to us a future date when cancellation shall be effective. If you cancel this policy, we shall retain the customary short-rate portion of the premium less the minimum earned premium, if applicable.

We may cancel the policy by mailing to you at the address stated in the Declarations written notice stating when, not less than sixty (60) days thereafter; or ten (10) days in the case of cancellation for non-payment of premium or deductible, such cancellation shall become effective. If we cancel the policy, earned premium shall be computed pro-rata. The mailing of Notice of Cancellation as aforementioned shall be sufficient notice of the intent to cancel. The effective date of cancellation specified in the notice shall terminate this **policy period**.

This policy may only be cancelled by us for:

1. Non-payment of premium or deductible;
2. Change in your operations that materially increase risks covered under this policy;
3. *Fraud or material misrepresentation by you; or*

4. Your failure to comply with terms and conditions or your contractual obligations under this policy. You shall have a right of sixty (60) days from the date of notice of cancellation to remedy such non-compliance. If the remedy is satisfactory to us, we shall rescind such notice in writing and the policy shall remain in force.

F. Assignment

Assignment of interest under this policy shall not bind us and such assignment is void unless our consent is endorsed hereon.

G. Authorization Clause

By acceptance of this policy, you agree that the statements in the Declarations are your agreements, and that the statements in your application and any other supplemental information provided in connection with the application are your representations and that this policy is issued in reliance upon the truth and accuracy of such agreements and representations. This policy embodies all existing agreements between you and us relating to this insurance.

H. Other Insurance

If other valid and collectible insurance is available to the Insured for coverage granted under this policy, our obligations are limited as follows:

1. This insurance is primary, and our obligations are not affected unless any other insurance is also primary. In that case, we will share with all such other insurance by the method described in paragraph 2. below; and
2. If all of the other insurance permits contribution by equal shares, we will also follow this method. In this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. In contribution by limits, each insurer's share is based upon the ratio of its applicable limit of insurance bears to the total applicable limits of insurance of all insurers.

I. Independent Counsel

In the event that an Insured is entitled by law to select independent counsel to defend such Insured at our expense, the attorney's fees and all other litigation expenses incurred by us shall be limited to the same rates that we would pay to counsel selected by us to defend a similar claim in the jurisdiction where the claim arose or is being defended. We may require that such counsel meet certain minimum qualifications and maintain errors and omissions insurance. The Insured agrees that such counsel will respond in a timely manner to any request for information we may make with regard to the claim.

J. Headings

The descriptions in the headings of this policy and any endorsements attached hereto are solely for convenience, and form no part of the terms and conditions of coverage.

K. Consent

Where consent by us or an Insured is required under this policy, such consent shall not be unreasonably withheld, delayed, conditioned or denied.

L. Access and Inspection

In connection with underwriting of this insurance or with our defense or adjustment of any claim, **remediation expense** or any other coverage afforded under this policy, we shall be allowed, but not obligated to, conduct inspections, surveys, audits or reviews of your location, operations or other information deemed pertinent by us. Such inspections, surveys, audits or reviews could involve the taking of samples, interviewing of employees, physical access to locations or access to materials or information concerning your operations, structure or financials of your company.

The **insured** agrees to cooperate with us, and provide us with access to locations, information, and employees for such inspections, surveys, audits, or reviews, whether or not you deem such location or information relevant to the underwriting of this insurance, or with our defense or adjustment of any claim, **remediation expense** or any other coverage afforded under this policy.

Neither our right to conduct such inspections, surveys, audits or reviews nor the results or conclusions of such actual inspections, surveys, audits or reviews shall warrant, in any way, that the operations or location are safe, healthful or compliant with or conform to applicable laws, standards or accepted practices. This condition applies to any agents or representative that we allow to conduct such inspections, surveys, audits or reviews on our behalf.

M. Sole Agent

You shall act on behalf of all other **insureds**, if any, for the payment or return of any premium, payment of any deductible, receipt and acceptance of any endorsement issued to form a part of the policy, giving and receiving notice of cancellation or non-renewal, and the exercise of the rights provided in the **extended reporting period**.

N. Severability

Except with respect to Limits of Insurance, Deductible, Insured verses Insured exclusion, Cancellation or Non-Renewal and any rights and duties assigned in this policy to you, this insurance applies as if each **insured** were the only **insured** and separately to each **insured** against to whom a claim is made. Any misrepresentation, act, or omission that is in violation of a term, duty or condition under this policy by one **insured** shall not prejudice another **insured** under this policy. This condition shall not apply to an **insured** who is a parent, subsidiary or affiliate of the **insured** which committed the misrepresentation, act, or omission referenced above.

O. Shared Limits

You and all other **insureds** understand, agree and acknowledge that this policy contains an Aggregate Limit that is applicable to and shared by all **insureds** that are or may become an **insured**. As such all **insureds** understand and agree that the limits of this policy may be depleted or exhausted by payments to other **insureds**.

P. Arbitration

If we and any **insured** do not agree whether coverage is afforded under this policy of insurance for payment of a claim made by or against the **insured** or other coverage afforded under this policy, both parties may, by mutual consent, agree in writing to arbitration of the disagreement.

If both parties agree to arbitrate, each party will select an arbitrator. The two arbitrators will select a third arbitrator. If they cannot agree upon the selection of a third arbitrator within 30 days, both parties must request that selection of a third arbitrator be made by a judge of a court having jurisdiction.

Unless both parties agree otherwise, arbitration will take place in the county in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

A decision agreed to by any two arbitrators will be binding.

Payment of the arbitrator's fee shall be made by us if coverage is found to exist. If coverage is not found, each party will:

1. Pay its chosen arbitrator; and
2. Bear the expenses of the third arbitrator equally.

IN WITNESS WHEREOF, WE HAVE CAUSED THIS POLICY TO BE SIGNED BY OUR PRESIDENT AND SECRETARY. THIS POLICY SHALL NOT BE VALID UNLESS COUNTERSIGNED ON THE DECLARATIONS PAGE BY OUR DULY AUTHORIZED REPRESENTATIVE.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE POLICY

The General Condition **Cancellation or Non-Renewal** is deleted in its entirety and replaced with the following:

Cancellation or Non-Renewal

With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued:

- (a) The first **named insured** shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- (b) We may cancel this policy only for one or more of the following reasons, except as provided in Paragraph (f) below:
 - (i) Nonpayment of premium;
 - (ii) Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
 - (iii) Discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
 - (iv) The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed, except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
 - (v) Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
 - (vi) Failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations; or
 - (vii) A determination by the Superintendent of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.
- (c) We will mail written notice of cancellation to the first **named insured**, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.
- (d) We will mail the notice of cancellation at least:
 - (i) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
 - (ii) 30 days before the effective date of cancellation, if we cancel for a reason stated in (b) (ii) through (vii) above.

(e) The notice of cancellation will:

- (i) State the effective date of cancellation. The **policy period** will end on that date.
 - (ii) Contain the date of the notice and the policy number, and will state the reason for cancellation.
- (f) Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days' written notice of cancellation.
- (g) 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.

Non-Renewal

- (a) If we elect not to renew this policy, we will mail written notice of nonrenewal to the **first named insured**, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.
- (b) We will mail the notice of nonrenewal at least 30 days before the expiration date of the policy.
- (c) *Proof of mailing will be sufficient proof of notice.*

All other terms and conditions of this policy remain unchanged. This endorsement is a part of your policy and takes effect on the expiration or cancellation date of your policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**NON-OWNED LOCATION COVERAGE -SCHEDULED**

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

In reliance upon that statements that you provided us in the application and other supplemental information concerning your **non-owned location(s)**, it is hereby agreed that, solely with respect to coverage afforded by this endorsement, the policy is amended as follows:

1. The Declarations Page is amended to include the following:

Coverages and Limits of Insurance:

Insuring Agreements Forming Part of This Policy	Limit of Insurance
Non-Owned Locations - Bodily Injury, Property Damage and Remediation Expense	\$500,000 Per Contamination Incident 1,000,000 Total All Contamination Incidents

Deductible: \$10,000

2. Section I. **Insuring Agreements** is amended to include the following:

Non-Owned Locations - Bodily Injury, Property Damage and Remediation Expense

We will pay for **loss or remediation expense** that the **insured** becomes legally obligated to pay as a result of a **claim for bodily injury, property damage or remediation expense** arising out of **contamination** on, under or migrating from a **non-owned location**, provided such **non-owned location** is scheduled to the policy by endorsement and such **claim** is first made against the **insured** and reported to us in writing during the **policy period**, or within the **extended reporting period**.

3. Section II. **Definitions** is amended to include the following:

Non-owned location means a site that is not owned, leased, managed or operated by you, your parent, subsidiaries or affiliates and scheduled to this policy in this endorsement or utilizing the Additional Non-Owned Location Schedule.

4. Section IV. **EXCLUSIONS**, Paragraphs O. and P. are deleted in their entirety and replaced with the following:

O. Product Liability – Based upon or arising out of goods or products manufactured, sold, handled or distributed by the **insured** or others trading under the **insured's** name, after possession of such goods or products has been relinquished by the insured or others trading under its name. However, this exclusion shall not apply to any **non-owned location**.

P. Retroactive Date – Based upon or arising out of **contamination**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the **Retroactive Date** shown in ITEM 9.a. of the Declarations of this policy. This exclusion does not apply if "not applicable" is shown in ITEM 9.a. of the Declarations. However, this exclusion shall not apply to any **non-owned location**.

5. Section IV. **EXCLUSIONS** is amended to include the following:

Non-Owned Location Retroactive Date - Based upon or arising out of **contamination** at or migrating from a **non-owned location**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the Non-Owned Location Retroactive Date shown in this endorsement or a Non-Owned Location Schedule Endorsement. This exclusion does not apply to a **non-owned location** if "not applicable" is shown as the corresponding Non-Owned Location Retroactive Date.

6. **NON-OWNED LOCATION SCHEDULE**

The following scheduled location(s) are **non-owned location(s)** with applicable corresponding Non-Owned Location Retroactive Dates:

Name & EPA ID Number of Non-Owned Location	Address	Applicable Non-Owned Location Retroactive Date
Bedford Heights WWTP OH0024058	25301 Salon Rd Bedford Heights, OH 44146	06/30/2010

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RETROACTIVE DATE – SPECIFIC COVERAGE

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

It is hereby agreed that the policy is amended as follows:

1. ITEM 9a., Retroactive Date of the Declarations is deemed to read:

9a. Retroactive Date: 06/30/2008

2. Section V. **EXCLUSIONS**, P. **Retroactive Date** is deleted and replaced with the following:

P. Retroactive Date - Based upon or arising out of **contamination**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the Retroactive Date shown in Item 9a of the Declarations of this policy. This exclusion applies only to the item(s) checked below:

☐ any claim, loss, remediation expense or any other coverage afforded under this policy;

☐ the following scheduled Insuring Agreements or Endorsements;

or

☒ the following:

contamination on or under Your Insured Property

3. This endorsement applies solely with respect to **your insured location(s)** checked below:

☒ all of **your insured location(s)**; or

☐ only the following specified **your insured location(s)**:

Specified Your Insured Location(s)

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CONTINGENT TRANSPORTATION COVERAGE**

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

In reliance upon that statements that you provided us in the application and other supplemental information concerning **transportation**, it is hereby agreed that, with respect to coverage afforded by this endorsement, the policy is amended as follows:

1. The Declarations Page are amended to include:

Coverages and Limits of Insurance:

Insuring Agreements Forming Part of This Policy	Limit of Insurance
Contingent Transportation	\$500,000 Per Contamination Incident \$1,000,000 Total All contamination Incidents

Deductible: \$10,000

Transportation Retroactive Date: 06/30/2010

2. Section I. **Insuring Agreements** is amended to include the following:

Contingent Transportation

We will pay for **loss or remediation expense** that the **insured** becomes legally obligated to pay as a result of a **claim for bodily injury, property damage or remediation expense** arising out of **contamination** from your goods, materials, product or waste during **transportation** to or from **your insured location** by a **carrier** provided a **claim** is first made against the **insured** and reported to us during the **policy period**, or within the **extended reporting period**.

This coverage may not be utilized to evidence financial responsibility of any **insured** under any federal, state, provincial or local **law**.

3. Section II. **Definitions** is amended to include the following:

Carrier means a person or entity, other than you or any of your subsidiaries or affiliate companies, engaged by you or on your behalf to transport material by automobile, aircraft, watercraft, or rolling stock but only if such person or entity and conveyance is properly licensed to transport such materials and in the business of transporting such materials.

Transportation means the movement of your goods, materials, product or waste beyond the boundaries of **your insured location** by a conveyance and includes loading or unloading of your products, materials or waste onto or from a conveyance at locations other than **your insured location**.

4. Section **IV. EXCLUSIONS** is amended to include the following:

Loading and Unloading of Conveyance at Your Location– Based upon or arising out of **contamination** that results from the, loading or unloading of any conveyance within the boundaries of **your insured location**.

Property Damage to Conveyance - Arising out of physical injury to or destruction of tangible property, including the resulting loss of use and diminution in value, to any conveyance utilized during the **transportation** of your goods, materials, product or waste. This exclusion does not apply to **claims** made by **carriers** of yours for such **property damage** arising from your negligence.

Transportation Retroactive Date - Based upon or arising out of **transportation** of your goods, materials, product or waste which took place prior to the Transportation Retroactive Date shown in section 1 of this endorsement.

3. Section **IV. EXCLUSIONS**, paragraphs **O. Product Liability Date** and **P. Retroactive Date** are deleted in its entirety and replaced with the following:

O. Product Liability – Based upon or arising out of goods or products manufactured, sold, handled or distributed by the **insured** or others trading under the **insured's** name, after possession of such goods or products has been relinquished by the insured or others trading under its name. This exclusion does not apply during **transportation**.

P. Retroactive Date – Based upon or arising out of **contamination**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the **Retroactive Date** shown in **ITEM 9.a.** of the Declarations of this policy. This exclusion does not apply if "not applicable" is shown in **ITEM 9.a.** of the Declarations or to **contamination** from your goods, materials, product or waste during **transportation**.

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED SCHEDULE

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

It is hereby agreed that, solely with respect to **your insured location** specified, the following individual(s), entity(ies) or organization(s) are scheduled as **additional insured(s)**. The **additional insured** shall have coverage under this policy, but solely for the **additional insured's** liability arising out of the **named insured's** ownership, use, maintenance or operation of **your insured location**. The **additional insured** shall not be afforded any coverage under this policy for any **claim** based upon or arising out of the negligence, strict liability or acts, errors or omissions of such **additional insured**.

Additional Insured/s	Your Insured Location
Richard Furnace Run Associates	3439 West Brianwood, Ste 260, Woodware, OH 44122

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE FOR TERRORISM

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

It is hereby agreed that, with respect to any coverage afforded under this policy, the policy is amended as follows:

A. Section II. DEFINITIONS is amended to include the following definitions:

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a certified act of terrorism include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure; and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion; and
- c. To have resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or
 - (2) Outside the United States in the case of:
 - (a) an air carrier (as defined in Section 40102 of title 49, United States Code); or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - (b) or at the premises of any United States mission.

Other act of terrorism means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a **certified act of terrorism**.

Multiple incidents of an **other act of terrorism** which occur within a seventy-two (72) hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

B. Section III. LIMITS OF INSURANCE AND DEDUCTIBLE is amended with the addition of the following:

With respect to any one or more **certified act of terrorism**, if aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a

Program Year (January 1 through December 31) and the Company has met its insurer deductible under the Terrorism Risk Insurance Act, the Company shall not be liable for the payment of any portion of the amount of such losses that exceed \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

- C. Section IV. **EXCLUSIONS**, is amended to include the following exclusion:

Punitive Damages From Terrorism – Based upon or arising out of punitive damages arising, directly or indirectly, out of a **certified act of terrorism** or **other act of terrorism**.

- D. Section IV. **EXCLUSIONS**, Paragraph H. **Hostile Acts** is deleted in its entirety and replaced with the following:

Hostile Acts – Based on or arising out of any consequence, of whether direct or indirect, of war, invasion, act of a foreign enemy, hostilities whether declared or not, civil war, rebellion, revolution, insurrection, military or usurped power, or any covert military action. This exclusion does not apply to terrorism, including any **certified act of terrorism** or **other act of terrorism**.

- E. This coverage endorsement afforded by this endorsement shall expire at the earlier of the following dates:

1. the end of the **policy period**; or
2. December 31, 2014, the scheduled termination of TRIA.

Your premium for **certified acts of terrorism** coverage is based on the entire **policy period** and the assumption that the federal Terrorism Risk Insurance Act (TRIA) will be extended or renewed through at least the end of the **policy period**. In the event that the **policy period** extends beyond December 31, 2014 and TRIA expires, without extension of mandating the availability of coverage for **certified acts of terrorism**, we will return the unearned portion of your TRIA premium for **certified acts of terrorism** coverage to you on a pro-rata basis. If the new TRIA extension or replacement legislation requires us to offer coverage for terrorism that is materially different than the coverage requirements included in the version of TRIA that expires on December 31, 2014, we reserve the right to charge additional premium and prospectively modify terrorism coverage to conform with the statutory requirements and exposures under the TRIA extension or new legislation.

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGE ENDORSEMENT

POLICY NO.: PHPK592803

☒ **PHILADELPHIA INDEMNITY INSURANCE COMPANY**
☐ **PHILADELPHIA INSURANCE COMPANY**

Agent No.: 5789
Agent Name: Wells Fargo
Insurance Services, Inc.

NAMED INSURED: WATER & SEWER LLC

MAILING ADDRESS: 3439 W BRAINARD RD STE 260, Woodmere, OH 44122

POLICY PERIOD: FROM 6/30/2010 TO 6/30/2013 at
12:01 AM Standard Time at your mailing address shown above.

CHANGE EFFECTIVE: 6/30/2010

CHANGE NO.: 1

DESCRIPTION:

In consideration of the premium reflected, the policy is amended as indicated below:

PI-EVP-001 Premises Environmental Coverage Declarations

PI-EVP-026 Non-Owned Location Coverage- Schedule

PI-EVP-140 Additional Insured Schedule

Total Annual
Additional/Return Premium: \$0

Total Prorate
Additional/Return Premium: \$0

COUNTERSIGNED

(Date)

BY:

(Authorized Representative)



Philadelphia Indemnity Insurance Company
 One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax: 610.617.7940

PREMISES ENVIRONMENTAL COVERAGE DECLARATIONS

Policy Number: PHPK592803

THIS IS A CLAIMS MADE AND REPORTED POLICY WITH DEFENSE COSTS INCLUDED IN THE LIMITS OF INSURANCE. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

In return for the payment of the premium, and subject to all the terms of this policy, we agree to provide you with the insurance stated in this policy.

ITEM

1. **Named Insured:** Water & Sewer LLC
2. **Mailing Address:** 3439 West Brainard Road, Suite 260
Woodmore, OH 44121
3. **Your Insured Location:** 3516 State Rt 303
Richfield Township, OH 44282

☐ if checked here, **Your Insured Location** is designated via endorsement.

4. **Policy Period:** From: 06/30/2010 To: 06/30/2013
(12:01 A.M. Standard Time at Your Mailing Address)

5. Coverages and Limits of Insurance:

Insuring Agreements Forming Part of This Policy	Limit of Insurance
A.1. Remediation Expense and Liability: Remediation of On-Site Contamination	\$1,000,000 Per Contamination Incident
A.2. Remediation Expense and Liability: Remediation of Off-Site Contamination	\$1,000,000 Per Contamination Incident
B. Bodily Injury and Property Damage Resulting from Contamination	\$1,000,000 Per Contamination Incident

C. Image Restoration	\$25,000 Per Contamination Incident
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6. Total Policy Aggregate Limit: \$ 1,000,000

7. Deductible: \$ 10,000

8. Premium: \$ 15,598

9. a. Retroactive date: 06/30/2003
b. Retrospective date: Not Applicable

10. Endorsements Forming Part of This Policy When Issued:

See attached Policy Forms Schedule

11. Producer: 5789

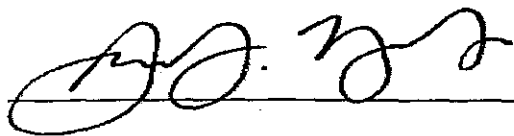
Name: Wells Fargo Insurance Services, Inc.

Address: 1301 E. Ninth Street
Cleveland, OH 44114

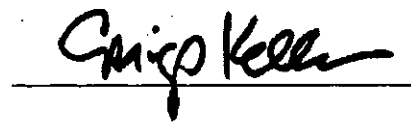
12. Notices

Notice of Claim, Coverage, or Contamination	All other notices
Claims - Environmental One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004 - 0950 Facsimile: 1 (800) 685-9238 Telephone: 1 (800) 765-9749	Commercial Lines Underwriting Environmental Division One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004

This policy has been signed by the Company's President and Secretary.



President



Secretary

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**NON-OWNED LOCATION COVERAGE -SCHEDULED**

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

In reliance upon that statements that you provided us in the application and other supplemental information concerning your **non-owned location(s)**, it is hereby agreed that, solely with respect to coverage afforded by this endorsement, the policy is amended as follows:

1. The Declarations Page is amended to include the following:

Coverages and Limits of Insurance:

Insuring Agreements Forming Part of This Policy	Limit of Insurance
Non-Owned Locations - Bodily Injury, Property Damage and Remediation Expense	\$500,000 Per Contamination Incident 1,000,000 Total All Contamination Incidents

Deductible: \$10,000

2. Section I. **Insuring Agreements** is amended to include the following:

Non-Owned Locations - Bodily Injury, Property Damage and Remediation Expense

We will pay for **loss or remediation expense** that the **insured** becomes legally obligated to pay as a result of a **claim for bodily injury, property damage or remediation expense** arising out of **contamination** on, under or migrating from a **non-owned location**, provided such **non-owned location** is scheduled to the policy by endorsement and such **claim** is first made against the **insured** and reported to us in writing during the **policy period**, or within the **extended reporting period**.

3. Section II. **Definitions** is amended to include the following:

Non-owned location means a site that is not owned, leased, managed or operated by you, your parent, subsidiaries or affiliates and scheduled to this policy in this endorsement or utilizing the Additional Non-Owned Location Schedule.

4. Section IV. **EXCLUSIONS**, Paragraphs O. and P. are deleted in their entirety and replaced with the following:

O. Product Liability – Based upon or arising out of goods or products manufactured, sold, handled or distributed by the **insured** or others trading under the **insured's** name, after possession of such goods or products has been relinquished by the insured or others trading under its name. However, this exclusion shall not apply to any **non-owned location**.

P. Retroactive Date – Based upon or arising out of **contamination**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the **Retroactive Date** shown in ITEM 9.a. of the Declarations of this policy. This exclusion does not apply if "not applicable" is shown in ITEM 9.a. of the Declarations. However, this exclusion shall not apply to any **non-owned location**.

5. Section **IV. EXCLUSIONS** is amended to include the following:

Non-Owned Location Retroactive Date - Based upon or arising out of **contamination** at or migrating from a **non-owned location**, including any subsequent dispersal, movement or migration of such **contaminants**, that first began prior to the **Non-Owned Location Retroactive Date** shown in this endorsement or a **Non-Owned Location Schedule Endorsement**. This exclusion does not apply to a **non-owned location** if "not applicable" is shown as the corresponding **Non-Owned Location Retroactive Date**.

6. **NON-OWNED LOCATION SCHEDULE**

The following scheduled location(s) are **non-owned location(s)** with applicable corresponding **Non-Owned Location Retroactive Dates**:

Name & EPA ID Number of Non-Owned Location	Address	Applicable Non-Owned Location Retroactive Date
Bedford Heights WWTP OH0024058	25301 Solon Rd Bedford Heights, OH 44146	06/30/2010

All other policy terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED SCHEDULE

This endorsement modifies and is subject to the insurance provided under the following:

PREMISES ENVIRONMENTAL COVERAGE

It is hereby agreed that, solely with respect to **your insured location** specified, the following individual(s), entity(ies) or organization(s) are scheduled as **additional insured(s)**. The **additional insured** shall have coverage under this policy, but solely for the **additional insured's** liability arising out of the **named insured's** ownership, use, maintenance or operation of **your insured location**. The **additional insured** shall not be afforded any coverage under this policy for any **claim** based upon or arising out of the negligence, strict liability or acts, errors or omissions of such **additional insured**.

Additional Insured(s)	Your Insured Location
Richfield Furnace Run Associates	3439 West Brainard, Ste 260, Woodmere, OH 44122

All other policy terms and conditions remain unchanged.

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of :
Water and Sewer LLC for an Increase : Case No. 11-4509-ST-AIR
in its Rates and Charges for Sewage :
Disposal Service. :

JOINT STIPULATION OF INTENT
OF
WATER AND SEWER LLC
AND
THE VILLAGE OF RICHFIELD, OHIO

All parties to this proceeding recognize that the rates for sewer service currently charged by Water and Sewer LLC ("Water and Sewer") are significantly higher than the average of the rates charged by other sewer utilities in Ohio. However, despite the substantial rate increases granted in Case Nos. 03-318-WS-AIR and 08-227-WS-AIR, Water and Sewer has continued to incur significant annual operating losses. Any further rate increases, regardless of whether they are supported by the statutory ratemaking formula, will exacerbate the hardship Water and Sewer's high rates already pose for many of its customers. This situation is clearly not sustainable indefinitely, and it is imperative that a solution be found.

To that end, Water and Sewer and the Village of Richfield ("Richfield") hereby commit to working cooperatively to formulate a plan that will permit Water and Sewer to exit the sewer business and a different sewer service provider, presumably Richfield, to assume responsibility for providing sewer service to Water and Sewer's customers at the earliest possible time. Water and Sewer and Richfield understand the Commission's interest in a prompt resolution of this

matter, and agree that the Commission should be kept apprised of the status of the progress of their efforts in this regard.

Richfield has already undertaken studies regarding connecting the Water and Sewer collection system to the facilities of a different provider of sewage disposal service, as indicated in Village of Richfield Resolution 16-2012 and the proposal of Arcadis U.S., Inc., which is incorporated into that resolution.

Water and Sewer and Richfield agree that Water and Sewer's management and the appropriate Richfield representatives will initiate discussions regarding the steps that would be required for Water and Sewer to exit the sewer business and effect a transfer of its collection system, and a meeting shall be convened held for this purpose no later than June 30, 2012, the agenda for which shall include, at minimum:

1. Discussion of the costs and feasibility of connecting the current Water and Sewer's collection facilities to the Northeast Ohio Regional Sewer District facility, including the acquisition of land or land rights upon which to locate pump stations and the construction of a force main sanitary sewer line.
2. The identification of the data to be provided by Water and Sewer regarding the load and flows associated with its existing customer base, and the projected load and flows that will result as property adjacent to Water and Sewer's service area is developed.
3. Discussion of the options available to Richfield for funding the costs of the project, including, but not limited to, available grants and/or loans, assessments of benefited properties within the village limits, tap-in fees charged to benefitted properties located outside the village limits including property now owned by

Richfield Furnace Run Associates (and how those fees might be structured), the transfer of the Water and Sewer collection facilities to the Village at no cost (and the terms or conditions necessary for such transfer to occur), and possible additional contributions by Water and Sewer.

4. The disposition of the current Water and Sewer sewage treatment facilities.
5. Discussion of the treatment of Water and Sewer's accounts receivable at the time customers are transferred.

Within 15 days of such initial meeting, Water and Sewer and Richfield shall submit a report of the results of such discussion to a representative of the Commission Staff to be designated by the Commission. Richfield shall, within 30 days of the Commission's opinion and order in this case, submit a report to such designated representative detailing the status of the studies being conducted by Arcadis, and providing a projected time-line for the completion of the project, if possible. Thereafter, Richfield shall update the time-line for completion of the project no less frequently than quarterly.

After the initial meeting, Water and Sewer and Richfield shall meet, and submit periodic reports of the progress of their discussions, no less frequently than quarterly. Representatives of the Commission's Staff shall be invited to participate in the meetings between Water and Sewer and Richfield described herein to assist the parties in reaching a mutually acceptable resolution of this matter. Should discussions between Water and Sewer and Richfield reach a point where either party believes that continuing them would not be productive, the parties will so advise the Commission's Staff. Following the provision of such notice to Staff, the parties hereby agree that if Staff wishes to convene a meeting to assess the status of the discussions, each party will cooperate in such efforts.

WHEREFORE, the undersigned join in respectfully requesting that the Commission accept this Joint Stipulation of Intent as evidence of the commitment of Water and Sewer and Richfield to develop a long-term solution to the problem identified above and to effectuate that solution as promptly as possible.

Respectfully submitted,

Water and Sewer LLC

By: TSER 5/13/12
Attorney for Water and Sewer LLC

Village of Richfield

By: William R. Grew
Richfield Law Director

Applicant's Exhibit No. 6

Water and Sewer LLC
Case No. 11-4509-ST-AIR

PROPOSED REVISED TARIFF SHEETS AND APPENDICES

Water and Sewer LLC
3439 West Brainard Road
Suite 260
Woodmere, Ohio 44122

PUCO No. 3

Section i
First Revised Sheet No. 2

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Case No. 11-4509-ST-AIR
Issued by Randy Kertesz, Acting President

Water and Sewer LLC
3439 West Brainard Road
Suite 260
Woodmere, Ohio 44122

PUCO No. 3

Section ii
Second Revised Sheet No.1

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Water and Sewer LLC
3439 West Brainard Road
Suite 260
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PUCO No. 3

Section ii
Second Revised Sheet No. 2

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SECTION 2 – RATES, CHARGES, BILLING, AND PAYMENT

1. Applicability. The rates and charges for sewer service specified in this section are applicable to all customers of the Company, except to those customers that enter into Commission-approved special arrangements with the Company pursuant to Paragraph 7 of this section.

2. Rates and Charges for Sewer Service.

Bi-Monthly Flat Rate

\$

3. Billing and Payment. The Company bills its customers on a bi-monthly basis. Bills will be sent to the premises served unless the customer has specified a different billing address on the application for service or subsequently notifies the Company, in writing, that a different billing address should be used. All bills are due and payable within fifteen days from the billing date. All bills shall be mailed no later than the billing date. Bills not paid within fifteen days of the billing date shall be considered delinquent and shall be subject to a late payment charge of 1.5% based on the amount of current charges only, with no compounding for future delinquencies. Delinquent bills shall also subject the customer to disconnection for nonpayment upon fourteen days written notice pursuant to Paragraph 8 of Section 3 of this tariff. Failure to receive a bill does not relieve the customer from responsibility for payment.
4. Reconnection Charge. Customers whose sewer service is disconnected pursuant to Paragraph 8 of Section 3 of this tariff shall pay a reconnection charge to have service restored equal to the actual, out-of-pocket costs the Company incurs in disconnecting and reconnecting sewer service. A statement itemizing such costs will be provided to the customer.
5. Dishonored Payment Charge. If a payment for any service, charge, or fee received by the Company is returned to the Company by a financial institution unpaid, a charge of \$35.00 will be assessed to cover the cost of processing the transaction, provided the transaction is properly processed by the Company. At the Company's option, the charge for

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SECTION 3 – SERVICE AND FACILITIES

1. Applications for Service. Applications for sewer service shall be in writing on a form prescribed by the Company and approved by the Commission. The application shall be signed by the prospective customer or the prospective customer's authorized representative. A copy of the Company's application form is set forth in Appendix B to this tariff. Based on the information provided in the application for service, the Company, subject to the terms and conditions set forth in Rules 4901:1-17-03 through 4901:1-17-08, OAC, may require a guarantor or deposit as a condition of initiating service. If a guarantor is required, the Company shall provide the customer with a copy of Rule 4901:1-17-03, OAC, and shall require the guarantor to execute a Guarantor Agreement as set forth in the Appendix thereto. If a deposit is required, the Company shall provide the customer with a copy of Rules 4901:1-17-04 through 4901:1-17-08, OAC, and shall administer the deposit in accordance with the provisions thereof.
2. Service Connection and Company Service Line Installation. Property owners applying for sewer service shall, upon submitting the application, pay a tap-in fee. In no event shall the tap-in fee exceed the Company's actual out-of-pocket cost of connecting service, including the cost of installing the Company service line to the property line if no Company service line has previously been installed. Upon receipt of the signed application and tap-in fee, the Company shall install the Company service line to the property line, where required, and complete the service connection. The service connection and the Company service line shall be the property of the Company and shall be maintained by the Company.
3. Customer Service Line Installation. Property owners desiring to install a Customer service line to their premises shall make application for same to the Company through a competent plumber as their authorized representative. If the Company approves the location of the Customer service line and is otherwise satisfied with the plans and specifications for the installation, the Company will authorize the plumber to proceed with the installation. All costs of the Customer service line shall be borne by the property owner. Service will not commence until the Company has inspected and approved the Customer service line installation, such inspection to be performed at no cost to the customer. The Customer service line shall be the property of the property owner, and shall be maintained in proper condition by the property owner.

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Water and Sewer LLC
3439 West Brainard Road
Suite 260
Woodmere, Ohio 44122

PUCO No. 3

Section 3
First Revised Sheet No. 2

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4. Relocation of Service Connection. Service connections moved for the convenience of the customer will be relocated at the customer's expense under the same terms and conditions set forth in Paragraph 2 of this section.
 5. Access to Customer Premises. The Company shall have the right to enter a dwelling or structure only with permission granted by a person holding himself or herself out as being responsible for the dwelling or structure. This paragraph shall not be construed as preventing the Company from discontinuing service to a customer pursuant to Rule 4901:1-15-27, OAC, for the unreasonable denial of access to a dwelling or structure required for the rendering of utility service in accordance with this tariff, including, but not limited to, access to investigate the possible discharge of sewage of a type not stated in the application or a connection to a premises not stated in the application. Nothing in this paragraph shall be construed as limiting or eliminating property rights granted to the Company pursuant to easements or other estates or interests in real property. Any employee or agent of the Company seeking access to the dwelling or structure of a customer shall voluntarily identify himself or herself, provide proper Company photo identification, and state the reason for the visit. The employee or agent shall, in all cases, direct himself or herself to a person holding himself or herself out as being responsible for the dwelling or structure. Entrance will not be sought or gained by subterfuge or force.
 6. Interruptions of Service. The Company undertakes reasonable care and diligence to provide service on a continuous basis, but reserves the right, at any time and without notice, to discontinue service for the purpose of making emergency repairs. In the case of planned interruption of service, the Company shall notify affected customers at least three days in advance of the interruption. The notice shall be by delivered written notice, by publication in a newspaper of general circulation in the Company's service area, or by an obvious sign posting in the affected portion of the Company's service area. The notice shall state the date and estimated duration of the outage and the telephone number the customers may call for further information.

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- B. The prospective customer requesting a main extension shall be required to advance to the Company, before construction is commenced, the estimated total cost of the main extension and related facilities. The cost of the main extension and related facilities minus any tax shall be subject to refund as provided in Paragraph 9 of this section. The tax shall be calculated by the following method:

$$\text{Tax} = C \times R$$

C = Definition in Paragraph 6.A. of this section.

R = Definition in Paragraph 6.A. of this section.

7. True-Up Adjustments. Any amount by which the estimated cost of the main extension and/or related facilities determined pursuant to Paragraph 5 of this section exceeds the actual cost shall be refunded to the customer by the Company within sixty days after the completion of the extension. Any amount by which the actual cost of the main extension and/or related facilities exceeds the estimated cost paid by the customer to the Company determined pursuant to Paragraph 5 of this section shall be billed to the customer upon completion of the extension and shall be paid by the customer within sixty days after completion of construction.
8. Multiple Applicants. When more than one prospective customer is involved in the request for a main extension and/or related facilities, the amount of the advance in aid of construction shall be divided equally among the applicants, unless otherwise agreed by the applicants.
9. Refunds of Customer Advances in Aid of Construction. Refunds of advances in aid of construction made pursuant to this section shall be made in accordance with the following method. The Company shall pay each year to the customer making an advance in aid of construction, or to that party's assignees or other successors in interest where the Company has received notice of such assignment or succession, an amount equal to twenty per cent of the total gross annual revenue from sewage disposal service to each *bona fide* customer, other than a subsequent applicant whose service line is connected to

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- A. The per-foot frontage charge shall be determined by dividing the total refundable amount of the advance in aid of construction by the total-foot frontage of the lots capable of receiving service from the extension.
- B. In the event that the total of the amount already refunded pursuant to Paragraph 9 of this section, plus the subsequent applicant's fee calculated pursuant to Paragraph 12 of this section, exceeds the total refundable amount of the advance in aid of construction, the amount collected from the subsequent applicant shall be the difference between the total refundable amount of the advance in aid of construction and the cumulative amount refunded pursuant to Paragraph 9 of this section.
- C. The Company shall refund money collected from subsequent applicants pursuant to Paragraph 12 of this section to the customers who are parties to the main extension agreement, or to their assignees or other successors in interest where the Company has received notice of such assignment or succession, in proportion to their respective original deposits. This refund shall be in addition to the refund provided for in Paragraph 9 of this section.
- D. Refunds of subsequent applicant fees made pursuant to this section shall be made in accordance with the following method. The Company shall pay each year to the subsequent applicant, or to that party's assignees or other successors in interest where the Company has received notice of such assignment or succession, an amount equal to twenty per cent of the total gross annual revenue from sewage service to each *bona fide* subsequent applicant whose service line is connected to main or extension lines covered by the main extension agreement. Refunds will terminate when the entire amount of the subsequent applicant's fee has been refunded or when the cumulative amount refunded pursuant to Paragraph 9 of this section tariff equals the refundable amount of the advance in aid of construction, or until fifteen years after the date of the main extension agreement, whichever is earliest. Agreements under this rule may provide that any unrefunded balance remaining at the end of the fifteen-year period shall still remain payable, in whole or in part, in such manner as is set forth in the

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Water and Sewer LLC
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Suite 260
Woodmere, Ohio 44122

PUCO No. 3

Section 6
Original Sheet No. 3

Bank(s):

Credit Cards:

Previous sewer service providers, if any:

If Applicant is a business, credit references:

ACKNOWLEDGEMENT

By signing this application, Applicant agrees to abide by the effective rate schedules, rules, and regulations of the Company as filed with and approved the Public Utilities Commission of Ohio, and acknowledges and agrees that, if Applicant does not comply with the Company's rate schedules, rules, and regulations, including the obligation to make timely payment for the service provided, service may be discontinued in accordance with the requirements of the Ohio Administrative Code and the Company's rules and regulations. Applicant attests that the information Applicant has provided herein is true and correct to the best of Applicant's knowledge.

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Woodmere, Ohio 44122

PUCO No. 3

Section 6
Original Sheet No. 4

SIGNING OF THIS FORM BY THE APPLICANT SHALL, IN NO CASE, BE DEEMED TO CONSTITUTE A WAIVER BY THE APPLICANT OF ANY RIGHTS OR PRIVILEGES GRANTED TO HIM/HER BY THE LAWS OR THE CONSTITUTION OF THE STATE OF OHIO OR BY THOSE OF THE UNITED STATES.

Witnesses:

Applicant:

Please Print or Type Name

Signature

WATER AND SEWER LLC

Approved and Accepted

By: _____

Its: _____

Issued:

Effective:

Filed Pursuant to PUCO _____, 2012 Opinion and Order in
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NOTIFICATION OF CUSTOMER RIGHTS

As a customer of Water and Sewer LLC (the "Company"), you have certain rights and obligations. These rights and obligations are spelled out in detail in the standards for water and sewer utilities established by the Public Utilities Commission of Ohio ("Commission") and in the Company's rules and regulations, which have also been approved by the Commission. This Notification of Customer Rights is intended to provide you with a summary of some of the more significant rules and regulations. Copies of the Commission's comprehensive standards and the Company's rules and regulations are available from the Company upon request. You may contact the Company to obtain copies of these documents or for any other purpose, including inquiries, complaints, and to report emergencies, at:

Water and Sewer LLC
3439 West Brainard Road
Suite 260
Woodmere, Ohio 44122
1-800-273-0287 (24-hour number)

Copies of the Commission's standards can also be obtained by contacting the Commission at:

Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43266-0573
1-800-686-7826
7-1-1 (Ohio Relay Service)
www.puco.ohio.gov

Complaints:

Complaints should first be directed to the Company by writing or calling the Company at the address or phone number listed above. The Company will investigate your complaint and will report the results of its investigation to you, either orally or in writing, within ten business days of receiving the complaint. If your complaint is not resolved after you have called Water and Sewer LLC, or for general utility information, residential and commercial customers may contact the public utilities commission of Ohio (PUCO) for assistance at 1-800-686-7826 (toll free) eight a.m. to five p.m. weekdays or at www.puco.ohio.gov. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). The Ohio consumers' counsel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from eight a.m. to five p.m. weekdays, or at www.pickocc.org.

Customer Rights:

As a customer, you have the right, among others, to:

- A. Notice that the Company intends to discontinue service and the reason therefore, which includes non-payment of bills, failure to abide by the terms of the Company's tariff, tampering with Company facilities, discharging any type of sewage not stated in the application for service, or the use of service upon any premises not stated in the application for service.
- B. Notice that sewer service will be interrupted;
- C. To see a proper Company photo identification when a Company employee or authorized representative seeks access to your premises; and
- D. To review the Company's rates, rules, and regulations upon request.

Customer Obligations:

As a customer, you are obligated, among other things, to:

- A. Abide by the terms and conditions in the Company's tariff;
- B. Pay your bills when due;
- C. Allow the Company reasonable access to your premises to inspect connections to the Company's system and to investigate complaints.

Service Installation:

The Company will supply sewer service to any customer within its service area who makes an application in writing on forms provided by the Company. Property owners applying for sewer service shall, upon submitting the application, pay a tap-in fee to the Company to reimburse the Company for its cost of connecting service, including the cost of installing the Company service line to the property line if no Company service line has previously been installed. The tap-in fee will not exceed the Company's actual, out-of-pocket cost of connecting service. Upon receipt of the signed application and tap-in fee, the Company will install the Company service line to the property line, where required, and complete the service connection. The Company service line is the property of the Company and shall be maintained by the Company. The property owner is responsible for the service line from the connection to the Company service line to the premises served.

Billing:

The Company bills its customers on a bi-monthly basis. Bills will be sent to the premises served unless the customer has specified a different billing address on the application for service or subsequently notifies the Company, in writing, that a different billing address should be used. All bills are due and payable within fifteen days from the billing date. All bills shall be mailed no later than the billing date. Bills not paid within fifteen days of the billing date will be considered delinquent and will be subject to a late payment charge of 1.5% based on the amount of current charges only, with no compounding for future delinquencies. Delinquent bills shall also subject the customer to disconnection for nonpayment upon 14 days written notice pursuant to the Company's tariff. Failure to receive a bill does not relieve the customer from responsibility for payment.

Disconnection of Service:

The Company may disconnect service to any customer only for the reasons for disconnection set forth below. The following procedures govern refusals or disconnections of service:

- A. No notice is required for disconnection of service for any of the following reasons:
 - 1. For tampering with any collection main, service line or other appliance under the control of, or belonging to, the Company;
 - 2. For any other violation or failure to comply with the regulations of the Company, which may, in the opinion of the Company or any public authority, create an emergency situation.
- B. The customer will be given not less than twenty-four hours written notice before service is disconnected for any of the following reasons:
 - 1. For the discharge of any type of sewage not stated in the application; or
 - 2. For the use of service upon any premises not stated in the application.

Personal delivery of the notice to the customer's premise shall first be attempted. If personal service cannot be accomplished at that time, then the notice shall be securely attached to the premises in a conspicuous manner.

- C. The customer will be given not less than fourteen days written notice before service is disconnected for any of the following reasons:

1. For non-payment of any tarified charges when due or within any additional period for payment permitted by the Company, or for not making a deposit as required. Disconnection of service for non-payment may not occur prior to fifteen days after the due date;
 2. For any violation of, or failure to comply with, the regulations of the Company other than those stated in Paragraphs A and B above;
 3. For misrepresentation in the application as to any material fact;
 4. For denial to the Company of reasonable access to the premises for the purpose of inspection; or
 5. For violation of federal, state, or local laws or ordinances where such violation affects the provision of utility service by the Company.
- D. Service will not be refused or disconnected to any customer or refused to any applicant for service for any of the following reasons:
1. Failure to pay for service furnished to a customer(s) formerly receiving service at the premises, unless the former customer(s) continues to reside at the premises;
 2. Failure to pay for a class of service different from the service provided for the account in question;
 3. Failure to pay any amount which, according to established payment dispute and resolution procedures, is in *bona fide* dispute; or
 4. Failure to pay any charge not specified in the Company's tariff.
- E. If a landlord is responsible for payment of the bill, notice of disconnection of service will be given to the consumer at least ten days before disconnection could occur. In a multi-unit dwelling, written notice shall be placed in a conspicuous place.
- F. The Company shall provide notice of disconnection of service to one additional consenting party, with the customer's written authorization, for those customers desiring such additional notification.
- G. The Company may disconnect service during normal business hours of 9:00 a.m. to 5:00 p.m., Monday through Friday; provided, however, that no disconnection

for past due bills or for failure to make a required deposit will be performed after 12:30 p.m. on the day preceding a day that all services necessary for reconnection are not regularly performed or available.

- H. Those Company employees who normally perform the termination of service are authorized to either:
1. Accept payment in lieu of termination;
 2. Dispatch an employee to the premises to accept payment; or
 3. Otherwise make available to the customer a means to avoid disconnection.

At the discretion of the Company, such employees may also be authorized to make extended payment arrangements.

- I. The Company will not disconnect service for nonpayment if the disconnection of service would be especially dangerous to health as certified pursuant to this paragraph. Certification shall be made on a form provided by the Company, which must be signed by a licensed physician, physician assistant, clinical nurse specialist, certified nurse practitioner, certified midwife, or local board of health physician and which states that disconnection of service would pose a special danger to the health of the customer or permanent resident of the household. Certification shall prohibit disconnection for thirty days from the Company's receipt of the signed certification form. In the event that service has already been disconnected for nonpayment, the company will restore service if a signed certification form is received by the Company within twenty-one days of disconnection. Certification may be renewed two additional times (30 days each) by providing a new signed certification form to the Company; provided, however, that the total certification period shall not exceed ninety days in any twelve-month period. Certification does not relieve the customer from responsibility for past due amounts owed the company, charges incurred during the certification period, and, where, disconnection has already occurred, the applicable reconnection charge.

Reconnection of Service:

The Company will reconnect previously disconnected service in accordance with the following procedures.

-
- A. Unless prevented by circumstances beyond the Company's control, or unless a customer requests otherwise, service will be restored by the close of the following regular business day after any of the following:
1. Receipt by the Company of the full amount of arrears for which service was disconnected, including payment of the reconnection charge and any required deposit;
 2. The elimination of conditions that warranted disconnection of service; or
 3. Agreement by the Company and the customer on a deferred payment plan and the current payment, if any, required under the plan.
- B. If a customer that has been disconnected for nonpayment wishes to guarantee restoration of service the same day on which full payment is tendered, the customer must notify the Company no later than 12:30 p.m. on that day and make payment in the Company's business office or provide proof of payment. If service cannot be restored until after normal business hours, the customer, in addition to paying the normal reconnection charge, shall also pay any additional costs the Company incurs for restoring service after normal business hours. This additional fee shall be paid at the time the arrangements to restore service are made.
- C. The Company may require a guarantor or deposit as a condition of restoring service, subject to the Commission's rules governing guarantors or deposits. If a guarantor or deposit is required, the Company will provide the customer with a copy of the applicable rules and will administer any deposit in accordance with those rules.
- D. The Company will not require payment of any portion of the customer's bill that is not more than fifteen days past due, excluding the reconnection charge(s), as a condition of restoring service.

Water and Sewer LLC
3439 West Brainard Road
Suite 260
Woodmere, Ohio 44122

PUCO No. 3

Appendix B

BILL FORMAT

SEE BACK FOR IMPORTANT INFORMATION

WATER AND SEWER, LLC
3439 WEST BRAINARD ROAD, SUITE 260
WOODMERE, OH 44122
1-800-273-0287

SERVICE TO:			
SERVICE FROM		SERVICE TO	PAST DUE AMOUNT
SERVICE	PREVIOUS READING	PRESENT READING	CONSUMPTION
SERVICE	DESCRIPTION		AMOUNT
ACCOUNT NUMBER		SERVICE I.D. NUMBER	
DUE DATE	PAY BY DUE DATE	PAY AFTER DUE DATE	

RETURN THIS PORTION WITH PAYMENT

ACCOUNT NUMBER	SERVICE I.D. NUMBER
BILL DATE	DUE DATE
PAY BY DUE DATE	PAY AFTER DUE DATE

PLEASE RETURN THIS PORTION
WHEN MAKING PAYMENT.
IF PAYING IN PERSON BRING
ENTIRE BILL

WATER AND SEWER, LLC
3439 WEST BRAINARD ROAD, SUITE 260
WOODMERE, OH 44122
1-800-273-0287

OFFICE HOURS
MONDAY THRU FRIDAY
9:00 A.M. TO 4:30 P.M.

AMOUNT AFTER DUE DATE
INCLUDES 1.5% LATE PAYMENT CHARGE

YOUR BILL IS BASED ON THE PUCO APPROVED
RATES FOUND IN SECTION 2, ORIGINAL SHEET
NO. 1, IN THE COMPANY'S TARIFF. A COPY OF
THE RATE SCHEDULE WILL BE FURNISHED
UPON REQUEST.

PLEASE MAKE CHECKS PAYABLE TO:

WATER AND SEWER, LLC
3439 WEST BRAINARD ROAD, SUITE 260
WOODMERE, OH 44122

TYPE OF BILL
WS - WATER SERVICE SS - SEWER SERVICE
EST - ESTIMATED BILL FB - FINAL BILL
MR - METER READING MS - MISC

**FAILURE TO RECEIVE BILL DOES NOT
RELIEVE CUSTOMER OF LATE PAYMENT CHARGE
FOR UNRESOLVED INQUIRIES, YOU MAY CALL
THE PUCO, TOLL FREE, AT 1-800-686-7826, IF
OR (TTY) 1-800-686-1570
RESIDENTIAL CUSTOMERS MAY
ALSO CALL OCC, TOLL FREE, AT
1-877-742-5622**

**KEEP THIS PORTION FOR
YOUR RECORDS**